

COUNTY OF SALEM
STATE OF NEW JERSEY
REPORT OF AUDIT
FOR THE YEAR ENDED DECEMBER 31, 2007

COUNTY OF SALEM
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COUNTY OF SALEM

PART 1

REPORT OF AUDIT OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2007

INDEPENDENT AUDITOR'S REPORT

The Honorable Director and
Members of the County Board of Chosen Freeholders
County of Salem
Salem, New Jersey 08079

We have audited the accompanying statements of assets, liabilities, reserves and fund balance-- regulatory basis of the various funds of the County of Salem, State of New Jersey as of December 31, 2007 and 2006, and the related statements of operations and changes in fund balance-- regulatory basis for the years then ended, and the related statement of revenues-- regulatory basis, statement of expenditures-- regulatory basis, and statement of general fixed assets group of accounts for the year ended December 31, 2007. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as discussed in the following paragraphs, we conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial statements include the general fixed asset account group, however, it was determined that the general fixed asset listing is materially overstated for the year 2007. The actual amount that should be recorded in the general fixed asset account group is not known as of December 31, 2007.

The accounts of the County Board of Social Services are regularly audited by representatives of the Division of Public Welfare, Bureau of Business Services, State Department of Institutions and Agencies and have not been examined as part of this audit. Our audit did not include verification of claims or auditing procedures required to determine that expenditures complied with legal provisions of any agreements for the Hospitalization Self-Insurance Fund, the General Liability Self-Insurance Fund and the Workers' Compensation Self-Insurance Fund. Procedures were limited to the reconciliation of cash. Also, the adequacy of these funds was not determined.

Also, the scope of the audit for the Nursing Home was limited to an audit of the receipts and disbursements on a sample basis. Receipts were reviewed to determine if they were properly recorded and deposited intact within forty-eight hours while disbursements were also reviewed for proper recording and adequate supporting documentation.

As described in Note 1, the financial statements previously referred to have been prepared in conformity with accounting practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

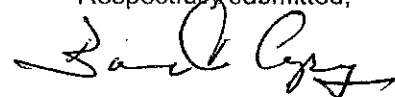
In our opinion, because of the effects on the financial statements of the requirement that the County prepare its financial statements in accordance with the accounting practices discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the County Of Salem, State of New Jersey, as of December 31, 2007 and 2006, or the results of its operations and changes in fund balance for the years then ended.

Furthermore, in our opinion, except for the effects on the financial statements of the omissions described in the third, fourth and fifth paragraphs, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, reserves and fund balance-- regulatory basis of the various funds of the County Of Salem, State of New Jersey, as of December 31, 2007 and 2006, and the results of its operations and changes in fund balance of such funds for the years then ended, and the revenues-- regulatory basis, expenditures-- regulatory basis of the various funds, and general fixed assets, for the year ended December 31, 2007 in conformity with accounting principles and practices prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1.

In accordance with Government Auditing Standards, we have also issued our report dated August 21, 2008 on our consideration of the County Of Salem, State of New Jersey's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County Of Salem's basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance programs are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and are not a required part of the financial statements. In addition, the supplementary financial statements presented for the various funds are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements of each of the respective individual funds and account group taken as a whole.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



David C. Rollison
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
August 21, 2008

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Director and
Members of the County Board of Chosen Freeholders
County of Salem
Salem, New Jersey 08079

We have audited the financial statements (regulatory basis) of the County of Salem, State of New Jersey, as of and for the year ended December 31, 2007, and have issued our report thereon dated August 21, 2008, which indicated that the financial statements were not prepared in accordance with accounting principles generally accepted in the United States of America but were prepared on a regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. In our report, our opinion was qualified with regard to scope limitations of the Social Services Board, Hospitalization Self-Insurance Fund, General Liability Self-Insurance Fund, Workers' Compensation Self-Insurance Fund and the Nursing Home. Furthermore, our opinion was also qualified because the fixed asset balances as of December 31, 2007 are materially misstated. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County of Salem's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with the regulatory basis of accounting prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control over financial reporting. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies in internal control over financial reporting: 2007-1 and 2007-3.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be presented or detected by the County's internal control. Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider item 2007-1 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County Of Salem's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs which is described in the Schedule of Findings and Questioned Costs as finding no's.; 2007-1 and 2007-2.

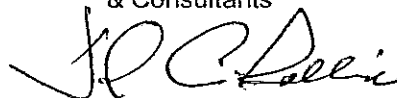
The County of Salem's response to the findings identified in our report are described in the accompanying Schedule of Findings and Recommendations. We did not audit the County of Salem's responses and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management of the County, the Division of Local Government Services, Department of Community Affairs, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



David C. Rollison
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
August 21, 2008

COUNTY OF SALEM
CURRENT FUND
 Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
 As of December 31, 2007 and 2006

ASSETS	Ref.	2007	2006
Regular Fund:			
Cash	SA-1	\$ 27,734,467.61	\$ 29,284,660.65
Receivables with Full Reserves:			
Taxes Receivable	SA-2	297,729.84	432,751.08
Revenue Accounts Receivable	SA-3	203,081.66	190,475.70
Due from Cultural and Heritage Commission - Grants Received	SL-1	-	971.18
Due from General Capital	SC-3	3,575.00	
Due from Trust Fund - Payroll Agency	SB-3	171.24	2,748.52
		<u>504,557.74</u>	<u>626,946.48</u>
Total Regular Fund		<u>28,239,025.35</u>	<u>29,911,607.13</u>
Federal and State Grant Fund:			
Grants Receivable	SA-6	19,416,134.03	18,380,453.60
Due from Current Fund	A	3,616,521.43	4,038,595.49
		<u>23,032,655.46</u>	<u>22,419,049.09</u>
Total Federal and State Grant Fund		<u>\$ 51,271,680.81</u>	<u>\$ 52,330,656.22</u>
LIABILITIES, RESERVES AND FUND BALANCE			
Regular Fund:			
Appropriation Reserves	A-3,SA-4	\$ 4,019,105.12	\$ 4,244,009.81
Reserve for Encumbrances	A-3,SA-4	3,033,128.43	2,837,859.44
Due Federal and State Grant Fund	A	3,616,521.43	4,038,595.49
Due Trust Fund - Payroll	SB-3	193.02	
Reserve for:			
Nursing Home Donations	A		1,770.67
Reserve for Type 1 School - Debt Payment	A	71,007.87	71,007.87
Reserve for Payment of Interest on Debt			
--Accrued Interest	A	439.06	439.06
Reserve for JACC/CAP	SA-1	124,985.00	148,180.00
		<u>10,865,379.93</u>	<u>11,341,862.34</u>
Reserve for Receivables	A	504,557.74	626,946.48
Fund Balance	A-1	16,869,087.68	17,942,798.31
Total Regular Fund		<u>28,239,025.35</u>	<u>29,911,607.13</u>
Federal and State Grant Fund:			
Reserve for Encumbrances	SA-8	7,997,604.16	2,614,132.11
Reserve for Appropriated Grants	SA-8	14,614,834.78	19,749,356.06
Reserve for Unappropriated Grants	SA-7	420,216.52	55,560.92
		<u>23,032,655.46</u>	<u>22,419,049.09</u>
Total Federal and State Grant Fund		<u>\$ 51,271,680.81</u>	<u>\$ 52,330,656.22</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

COUNTY OF SALEM
CURRENT FUND
 Statements of Operations and Changes in Fund Balance -- Regulatory Basis
 For the Years Ended December 31, 2007 and 2006

	<u>2007</u>	<u>2006</u>
REVENUE AND OTHER INCOME REALIZED		
Fund Balance Realized	\$ 8,514,902.99	\$ 7,476,115.53
Miscellaneous Revenue Anticipated	41,437,589.10	33,819,507.19
Receipts from Current Taxes:		
County Taxes	45,672,025.58	42,502,677.09
County Open Space Taxes	1,004,553.80	889,736.40
Non-Budget Revenues	1,026,714.41	949,845.45
Other Credits to Income:		
Collection of Added and Omitted Taxes	493,951.34	566,691.64
Unexpended Balance of Appropriation Reserves	3,071,581.93	3,324,675.41
Cancellation of Reserve - Nursing Home Donations	1,770.67	
Cancellation of Grants - Appropriated Reserves	15,175.00	1,034,735.16
Interfunds Returned	3,719.70	3,415.09
	<u>101,241,984.52</u>	<u>90,567,398.96</u>
Total Income		
EXPENDITURES		
Budget Appropriations:		
Operations:		
Salaries and Wages	26,059,056.43	23,854,206.00
Other Expenses	54,086,280.11	44,844,129.59
Capital Improvements	5,085,708.09	5,454,811.25
Debt Service	3,610,244.52	3,450,951.50
Deferred Charges and Statutory Expenditures	3,559,709.27	2,928,323.89
Judgements	375,000.00	400,000.00
County Open Space Taxes Transferred to Trust Fund	1,004,553.80	889,736.40
Transfer to Federal and State Grant Fund	4,346.70	
Interfund Advances	3,746.24	2,748.52
Cancellation of Grants Receivable	12,147.00	668,218.57
	<u>93,800,792.16</u>	<u>82,493,125.72</u>
Total Expenditures		
Statutory Excess to Fund Balance	7,441,192.36	8,074,273.24
FUND BALANCE		
Balance January 1, 2007	<u>17,942,798.31</u>	<u>17,344,640.60</u>
	25,383,990.67	25,418,913.84
Decreased by:		
Utilized as Revenue	<u>8,514,902.99</u>	<u>7,476,115.53</u>
Balance December 31, 2007	<u>\$ 16,869,087.68</u>	<u>\$ 17,942,798.31</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

COUNTY OF SALEM
CURRENT FUND
 Statement of Revenues -- Regulatory Basis
 For the Year Ended December 31, 2007

	Budget 2007	Anticipated Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Surplus Anticipated	\$ 8,514,902.99		\$ 8,514,902.99	
Miscellaneous Revenues:				
County Clerk	395,000.00		395,000.00	
Surrogate	45,000.00		45,000.00	
Sheriff	40,000.00		40,000.00	
Interest on Investments and Deposits	950,000.00		1,322,905.21	\$ 372,905.21
Salem County Home	5,315,838.59		5,315,838.59	
Refunds - Public Health Department	26,000.00		31,568.44	5,568.44
Planning Board - Development Review Fees	7,500.00		27,447.00	19,947.00
Due From Lower Alloways Creek Township	2,322,973.53		2,322,973.53	
Board of State and Federal Prisoners in County Jail	498,000.00		537,257.00	39,257.00
Bail Forfeiture	4,400.00		42,331.00	37,931.00
County Dispatch Service:				
Pennsville Township	37,800.00		37,800.00	
Elmer Borough	1,620.00		1,620.00	
Woodstown Borough	11,000.00		11,000.00	
Inmate Health/Reimbursement to Salem County	2,500.00		2,505.76	5.76
State Aid - County College Bonds (NJSA 18A:64A-22.6)	250,000.00		327,164.63	77,164.63
Public Health Priority Funding - 1977	36,296.00		130,048.00	93,752.00
Debt Service - State Aid (Type I) - Vocational Education Bonds	70,000.00		88,581.00	18,581.00
Social and Welfare Services (c.66,P.L. 1990):				
Division of Youth and Family Services	1,287,896.00		1,287,896.00	
Supplemental Social Security Income	208,847.00		202,765.00	(6,082.00)
Psychiatric Facilities (c.73,P.L. 1990):				
Maintenance of Patients in State Institutions for Mental Diseases	1,634,674.00		1,766,705.00	132,031.00
Maintenance of Patients in State Institutions for Mentally Retarded	2,339,355.00		2,339,355.00	
Board of County Patients in State and Other Institutions	18,000.00		24,624.47	6,624.47
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services:				
Public and Private Revenues Offset with Appropriations:				
Area Plan Grant (40A:4-87, \$11,792.00)	879,103.00	\$ 11,792.00	890,895.00	
Alcohol and Drug Abuse Services: #03-539-ADA-00-Comprehensive Program	247,240.00		247,240.00	
Alliance to Prevent Alcoholism and Drug Abuse	137,783.00		137,783.00	
NJ Department of Health - Right to Know Project	8,786.00		8,786.00	
ENVIR ACT - CEHA	124,016.00		124,016.00	
Senior Citizen and Disabled Resident Transportation Program	593,810.00		593,810.00	
PASP - Personal Attendant Services	112,496.00		112,496.00	
New Jersey Department of Human Services - Family Court	99,378.00		99,378.00	
Prosecutor's Insurance Fraud	148,380.00		148,380.00	
Juvenile Justice Commission Grant	199,288.00		199,288.00	
2005 / 2004 Body Armor Fund / Sheriff	13,057.12		13,057.12	
2005 / 2004 Body Armor Fund for the Prosecutor	1,616.19		1,616.19	
JAIBG Funds - Youth Services Commission	9,488.00		9,488.00	
State Aid Highway Project: 2007 County Aid Improvement Program(40A:4-87, 1,818,000.00)		1,818,000.00	1,818,000.00	
Medical Reserve (40A: 4-87, \$10,000.00)		10,000.00	10,000.00	
County Disaster Liaison (40A: 4-87, \$2,500.00)		2,500.00	2,500.00	
County Environmental Health Act (40A: 4-87, \$41,881.00)		41,881.00	41,881.00	
MICA Training (40A: 4-87, \$1,475.00)		1,475.00	1,475.00	
Personal Assistance Services Program (40A: 4-87, \$17,377.00)		17,377.00	17,377.00	
Project Lifesaver (40A: 4-87, \$82,150.00)		82,150.00	82,150.00	
Mental Health Board Planning Grant (40A: 4-87, \$12,000.00)		12,000.00	12,000.00	
Cops in Shops (40A: 4-87, \$6,000.00)		6,000.00	6,000.00	
NJ Sex offender Internet Registry	4,740.00		4,740.00	
CHLP Grant of Seminar	7,500.00		7,500.00	
NJ Build	380.00		380.00	
DCA- Recreation for Individuals with Disabilities (40A: 4-87, \$3,420.00)		3,420.00	3,420.00	
Senior Farmers' Market Nutrition Program (40A: 4-87, \$1,000.00)		1,000.00	1,000.00	
DCA- Small Cities Block Grant- Salem Court House Renovation Grant (40A: 4-87, \$400,000.00)		400,000.00	400,000.00	
State Homeland Security Grant Program Code Orange Funds (40A: 4-87, \$27,325.00)		27,325.00	27,325.00	
State Homeland Security Grant Program (40A: 4-87, \$354,112.40)		354,112.40	354,112.40	
Salem County Roadway Striping Program- Various Municipalities (40A: 4-87, \$542,150.00)		542,150.00	542,150.00	
Pennsville-Auburn Road, County Road #551, Phase II (40A: 4-87, \$780,000.00)		780,000.00	780,000.00	
Radiological Emergency Response Planning (40A: 4-87, \$110,080.00)		110,080.00	110,080.00	
Justice Assistance Grant (40A: 4-87, \$87,340.00)		87,340.00	87,340.00	
Farmland Preservation Program (40A: 4-87, \$8,181,578.46)		8,181,578.46	8,181,578.46	
Historical Grant Commission (40A: 4-87, \$18,000.00)		18,000.00	18,000.00	
Enhanced 9-1-1 General Assistance & Equipment Grant (40A: 4-87, \$60,000.00)		60,000.00	60,000.00	
Workforce Development Partnership Program (40A: 4-87, \$7,767.00)		7,767.00	7,767.00	

(Continued)

The accompanying Notes to Financial Statements are an integral part of this statement.

COUNTY OF SALEM
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2007

	Budget 2007	Anticipated Special N.J.S.A. 40A:4-87	Realized	Excess or (Deficit)
Salem County Safety Projects in Pennsville Township & Upper Pittsgrove Twp (40A: 4-87, \$136,918.00)		\$ 136,918.00	\$ 136,918.00	
Office of Emergency Telecommunications Systems	\$ 60,000.00		60,000.00	
Salem Comprehensive Child Passenger Safety Program (40A: 4-87, \$27,144.00)		27,144.00	27,144.00	
WIA Dislocated Worker Program (40A: 4-87, \$137,982.00)		137,982.00	137,982.00	
WIA Youth (40A: 4-87, \$137,533.00)	1,575.00	137,533.00	139,108.00	
EIP Additional	1,500.00		1,500.00	
WIA Adult (40A: 4-87, \$137,591.00)	986.00	137,591.00	138,577.00	
Local Art Program	54,525.00		54,525.00	
Local Arts Initiative Grant	22,000.00		22,000.00	
Public Health Preparedness & Response for Bioterrorism (40A:4-87, \$595,220.00)		595,220.00	595,220.00	
Public Archives & Records Infrastructure Support (PARIS) Grants (40A:4-87, \$891,070.00)		891,070.00	891,070.00	
Cancer Education & Early Detection Program (40A:4-87, \$132,764.00)		132,764.00	132,764.00	
Veterans Transportation Grant (40A:4-87, \$13,000.00)		13,000.00	13,000.00	
TANF - Work Verification (40A:4-87, \$2,831.00)		2,831.00	2,831.00	
Workforce Development Partnership Program - TANF - Smart STEPS	12,106.00		12,106.00	
Work First New Jersey	55,656.00		55,656.00	
Work First New Jersey TANF Work Activities (40A: 4-87, \$390,198.00)		390,198.00	390,198.00	
Work First New Jersey- CAVP & EEI (40A: 4-87, \$15,968.00)		15,968.00	15,968.00	
Work First New Jersey-GA/FS Work Activities (40A: 4-87, \$71,124.00)		71,124.00	71,124.00	
Work First New Jersey-GA/FS Case Management (40A: 4-87, \$52,057.00)		52,057.00	52,057.00	
TANF- Case Mangement (40A: 4-87, \$88,051.00)		88,051.00	88,051.00	
Special Items of General Revenue Anticipated with Prior Written Consent of Director of Local Government Services (Cont'd):				
Comprehensive Cancer Control Plan (40A:4-87, \$65,000.00)		65,000.00	65,000.00	
Tobacco Age-of-Sale Enforcement Program (40A:4-87, \$11,880.00)		11,880.00	11,880.00	
Early Intervention Program (40A:4-87, \$126,500.00)		126,500.00	126,500.00	
Other Special Items:				
Salem County Area Office on Aging	55,000.00		58,000.00	\$ 3,000.00
Reserve for JACC/CAP	148,180.00		148,180.00	
Salem County Home - Medicaid Reimbursement - Peer Grouping	482,082.00		444,054.40	(38,027.60)
Salem County Bus Service - NJ Transit Contract	780,000.00		889,881.56	109,881.56
County Welfare Office - Social Services	75,000.00		92,372.58	17,372.58
Rent - Agriculture Building	79,000.00		79,650.00	650.00
Salem County Home - Additional	1,000,000.00		1,153,638.67	153,638.67
Rental - J.P. Rail Inc.	30,000.00		15,000.00	(15,000.00)
911 Rental Tower Space	3,000.00		3,000.00	
Bd. Federal Inmates in County Jail	1,357,000.00		2,571,385.04	1,214,385.04
Salem County Utilities Authority	239,570.00		239,570.00	
Gloucester County Alternative Youth Shelter Beds	35,000.00		42,699.16	7,699.16
NEXTEL-Communication Tower	28,000.00		33,900.00	5,900.00
Cumberland County - Sharing of Public Health Offices	39,500.00		48,109.50	8,609.50
Board of Elections	35,000.00		59,141.85	24,141.85
County Dispatch Services:				
Pennsville Township	22,200.00		22,200.00	
Elmer Borough	880.00		880.00	
Woodstown Borough	4,000.00		4,000.00	
City of Salem	70,000.00		40,833.00	(29,167.00)
Title Section IV-D Reimbursement for State of NJ	50,000.00		80,990.82	30,990.82
Additional Fees:				
County Clerk	500,000.00		577,348.47	77,348.47
County Sheriff	50,000.00		89,509.22	39,509.22
County Surrogate	39,000.00		38,671.03	(328.97)
Total Miscellaneous Revenues	23,420,521.43	15,608,778.86	41,437,589.10	2,408,288.81
Amount to Be Raised by Taxation - County Purpose Tax	45,672,025.58		45,672,025.58	
Budget Totals	77,607,450.00	15,608,778.86	95,624,517.67	2,408,288.81
Miscellaneous Revenue Not Anticipated			1,026,714.41	1,026,714.41
	\$ 77,607,450.00	\$ 15,608,778.86	\$ 96,651,232.08	\$ 3,435,003.22
Cash Receipts:				
Anticipated Revenue			\$ 68,705,426.51	
Miscellaneous Revenue Not Anticipated			1,026,714.41	
Federal and State Grants Received			18,404,188.17	
Surplus Anticipated			8,514,902.99	
			\$ 96,651,232.08	

The accompanying Notes to Financial Statements are an integral part of this statement.

COUNTY OF SALEM
CURRENT FUND
Statement of Revenues -- Regulatory Basis
For the Year Ended December 31, 2007

Analysis of Realized Revenue

Miscellaneous Revenue Not Anticipated:

Construction Board Appeal Fees	\$ 250.00
Jail - Miscellaneous Revenue	89,737.44
Maps, Copies, Books	35.00
Prosecutor - Discovery	85.00
Prosecutor - Restitution	2,203.49
Unification Reimbursement	205,510.40
Jail - Telephone Communications	97,052.69
Prosecutor - County Fines	1,799.25
Vending Services	3,898.89
OPRA Fees	1,029.62
Garnishees	3,688.98
County Auction	27,970.78
Board of Elections/Copies & Supplies	1,590.16
Visitor Center	257.85
Check Cancellations	2,362.29
Sheriff IV-D Fees	38,121.63
State of New Jersey - 911 Reimbursement	25,000.00
State of New Jersey - Emergency Management Assistance	22,000.00
State of New Jersey - Miscellaneous	3,000.00
State of New Jersey - Polling Costs	1,825.00
State of New Jersey - Fiscal Administration	9,000.00
State of New Jersey - Salary Reimbursement	52,000.00
State of New Jersey - Reimbursement for Elections	45,000.00
Sheriff Attorney ID Program	655.00
Rents	14,455.50
Insurance Claims	9,564.87
Recycling	17,148.60
Refund of Prior Year Salaries	9,152.25
Refund of Prior Year Expenses - Utility - Phone	10,206.88
Refund of Prior Year Expenses - Other	5,741.75
Refund of Prior Year Expenses - SCUA Share of Repaving Route 540	83,705.20
Payment in Lieu of Taxes - Land Management	6,167.00
Workers Compensation	14,000.56
West Jersey Title - Settlement	30,000.00
Closed Bank Account - County Clerk	10,117.03
Closed Bank Account - Cultural & Heritage Commission	6,781.22
Prior Year Interest - Nursing Home	13,283.52
Miscellaneous	162,316.56
	<u>\$ 1,026,714.41</u>

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2007

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<u>General Government</u>						
Administrative and Executive						
Board of Chosen Freeholders						
Salaries and Wages	\$ 169,600.00	\$ 169,600.00	\$ 168,037.22		\$ 1,562.78	
Other Expenses	25,000.00	25,000.00	21,224.20	\$ 1,051.52	2,724.28	
Purchase Department and Inventory Control						
Salaries and Wages	101,700.00	101,700.00	98,292.32		3,407.68	
Other Expenses	10,850.00	10,850.00	9,184.11	816.11	849.78	
Clerk of the Board						
Salaries and Wages	150,000.00	150,000.00	148,370.45		1,629.55	
Other Expenses	49,500.00	49,500.00	30,782.64	2,570.92	16,146.44	
Farmland Preservation						
Salaries and Wages	39,500.00	39,500.00	38,202.60		1,297.40	
Personnel/HR						
Salaries and Wages	265,000.00	233,000.00	219,685.58		13,314.42	
Drug and Alcohol Testing for Employees	30,000.00	30,000.00	21,357.92	105.00	8,537.08	
Other Expenses	111,510.00	111,510.00	85,960.79	21,260.45	4,288.76	
Archives Management	50,000.00	50,000.00	10,137.71		39,862.29	
Other Expenses	5,900.00	5,900.00	1,925.98	1,278.03	2,695.99	
County Clerk						
Salaries and Wages	356,000.00	398,000.00	381,347.66		16,652.34	
Other Expenses	93,000.00	93,000.00	42,024.28	30,261.73	20,713.99	
School Board Elections	65,000.00	65,000.00	48,189.03		16,810.97	
Election Costs	82,000.00	82,000.00	67,245.69	215.00	14,539.31	
Grant Management						
Other Expenses	17,250.00	22,250.00	14,734.45		7,515.55	
Board of Elections						
Salaries and Wages	197,000.00	197,000.00	188,612.51		8,387.49	
Other Expenses	189,925.00	189,925.00	149,917.07	34,877.59	5,130.34	
Department of Finance						
County Treasurer's Office						
Salaries and Wages	410,000.00	390,000.00	375,924.71		14,075.29	
Other Expenses	28,500.00	48,500.00	31,724.89	136.89	16,638.22	
Bond Cost	20,000.00	20,000.00			20,000.00	
County Auditor						
Annual Audit Fee	130,000.00	158,000.00	149,305.80		8,694.20	
Information Technology Center						
Salaries and Wages	194,000.00	194,000.00	185,103.73		8,896.27	
Other Expenses	173,100.00	173,100.00	41,248.81	131,849.88	1.31	
County Adjuster's Office						
Salaries and Wages	55,500.00	55,500.00	53,771.88		1,728.12	
Other Expenses	14,200.00	14,200.00	3,131.76	2,430.00	8,638.24	
Board of Taxation						
Salaries and Wages	103,100.00	103,100.00	97,728.01		5,371.99	
Other Expenses	34,475.00	34,475.00	23,615.74	10,380.36	478.90	
County Counsel						
Salaries and Wages	65,000.00	65,000.00	62,298.26		2,701.74	
Other Expenses	11,500.00	11,500.00	3,747.42	66.33	7,686.25	
County Surrogate						
Salaries and Wages	202,000.00	206,300.00	198,469.46		7,830.54	
Other Expenses	17,739.00	17,739.00	8,848.02	8,774.16	116.82	
Agricultural Development Board						
Other Expenses	22,000.00	22,000.00	22,000.00			
Engineer						
Salaries and Wages	345,000.00	345,000.00	331,814.48		13,185.52	
Other Expenses	115,050.00	115,050.00	80,571.24	17,971.67	16,507.09	
Economic Development Office						
Salaries and Wages	47,049.00	47,049.00	47,049.00			
Visitor's Center	7,900.00	7,900.00			7,900.00	
Tourism	68,050.00	68,050.00	10,062.47	46,080.00	11,907.53	
SCIA Interlocal Agreement	102,951.00	102,951.00	102,348.40		602.60	
Labor Counsel						
Salaries and Wages	40,000.00	40,000.00	37,393.00		2,607.00	
Other Expenses	4,500.00	4,500.00			4,500.00	
Special Counsel	175,000.00	175,000.00	77,840.81	30,893.94	66,265.25	
Farmland/Open Space	14,000.00	4,000.00			4,000.00	
Cultural and Heritage Commission						
Other Expenses	70,000.00	70,000.00	12,328.63	3,199.36	54,472.01	
Total General Government	4,479,349.00	4,516,649.00	3,701,558.73	344,218.94	470,871.33	

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2007

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
Land Use Administration						
County Planning Board (R S 40:27-3)						
Salaries and Wages	\$ 91,000.00	\$ 91,000.00	\$ 88,133.70		\$ 2,866.30	
Other Expenses	132,791.00	170,791.00	119,753.28	\$ 46,859.25	4,178.47	
Contribution to Soil Conservation District (R.S. 4:24-22(i))	10,000.00	10,000.00	10,000.00			
Total Land Use Administration	233,791.00	271,791.00	217,886.98	46,859.25	7,044.77	
Code Enforcement and Administration						
Weights and Measures						
Salaries and Wages	96,000.00	81,000.00	76,685.12		4,314.88	
Other Expenses	2,400.00	2,400.00	1,375.01	117.48	907.51	
Total Code Enforcement	98,400.00	83,400.00	78,060.13	117.48	5,222.39	
Insurance						
1. Workmen's Compensation	600,000.00	600,000.00	591,138.83		8,861.17	
2. Other Insurance Premiums	600,000.00	600,000.00	541,420.88		58,579.12	
3. Self-Insurance AL/GL	525,000.00	525,000.00	521,887.94	1,000.00	2,112.06	
4. Group Insurance Dental	155,000.00	155,000.00	139,723.64		15,276.36	
5. Group Insurance Hospitalization	6,705,000.00	6,705,000.00	6,592,224.38		112,775.62	
Contribution to:						
6. Unemployment Compensation Insurance (N.J.S.A. 43-21-3 et seq.)	179,000.00	179,000.00	179,000.00			
7. State Disability Insurance	100,000.00	100,000.00	54,009.66		45,990.34	
Total Insurance	8,864,000.00	8,864,000.00	8,619,405.33	1,000.00	243,594.67	
Public Safety Functions						
Safety	10,650.00	10,650.00	10,099.17		550.83	
"9-1-1"						
Salaries and Wages	1,115,000.00	1,155,000.00	1,132,933.80		22,066.20	
Other Expenses	56,000.00	56,000.00	16,102.02	39,011.35	886.63	
"2-1-1" County Contribution	30,000.00	30,000.00	30,000.00			
Department of Emergency Services						
Salaries and Wages	302,200.00	302,200.00	235,413.10		66,786.90	
Other Expenses:						
Fire School	73,800.00	73,800.00	43,513.35	30,164.22	122.43	
Operations and Training	7,000.00	7,000.00	4,339.39		2,660.61	
Miscellaneous Other Expenses	34,100.00	34,100.00	29,055.33	3,763.84	1,280.83	
Aid to Volunteer Rescue and Ambulance Squads (R.S. 40:5-2)	3,500.00	3,500.00	1,400.00		2,100.00	
Fire Marshall						
Other Expenses	11,182.00	11,182.00	7,280.50	2,255.00	1,646.50	
Sheriff's Office						
Salaries and Wages	1,900,000.00	1,879,000.00	1,845,955.42		33,044.58	
Other Expenses	236,100.00	257,100.00	172,242.15	84,053.10	804.75	
Jail						
Salaries and Wages	8,728,369.48	8,728,369.48	8,207,490.23		520,879.25	
Other Expenses	1,713,403.00	1,728,403.00	1,388,487.74	332,663.91	7,251.35	
Bail Forfeitures	10,000.00	10,000.00	2,575.00		7,425.00	
Juvenile Detention and Domestic Relations Court						
Other Expenses	707,300.00	707,300.00	372,056.48	96,312.95	238,930.57	
Alternative Youth Shelter						
Other Expenses:						
Contractual - Ranch Hope	442,998.00	442,998.00	442,997.65		0.35	
Prosecutor's Office						
Salaries and Wages	2,800,000.00	2,800,000.00	2,567,171.51		232,828.49	
Other Expenses	402,033.00	402,033.00	312,447.68	87,469.49	2,115.83	
County Medical Examiner						
Other Expenses:						
Miscellaneous	137,656.00	150,000.00	112,500.00	37,500.00		
Total Public Safety Functions	18,721,291.48	18,788,635.48	16,934,060.52	713,193.86	1,141,381.10	

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2007

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<u>Public Works Functions</u>						
Street and Road Maintenance						
Roads and Bridges						
Salaries and Wages	\$ 944,000.00	\$ 944,000.00	\$ 898,835.87		\$ 45,164.13	
Other Expenses	720,700.00	720,700.00	292,006.74	\$ 376,263.48	52,429.78	
Facilities Management						
Salaries and Wages	1,041,500.00	1,026,500.00	966,622.55		59,877.45	
Other Expenses	625,900.00	625,900.00	428,389.70	72,990.73	124,519.57	
Mosquito Extermination Commission (R.S. 26:9-13 et seq)	604,755.00	604,755.00	554,755.00		50,000.00	
Railroad	200,000.00	200,000.00	147,387.29	31,551.76	21,060.95	
Vehicle Maintenance	400,000.00	400,000.00	239,596.63	60,765.09	99,638.28	
Total Public Works Functions	4,536,855.00	4,521,855.00	3,527,593.78	541,571.06	452,690.16	
<u>Health and Human Services</u>						
Youth Service Commission						
Peer Grouping	3,020.50	3,020.50	3,020.50			
War Veterans Burial And Grave Decorations						
Salaries and Wages	6,997.00	6,997.00	6,807.20		189.80	
Other Expenses	16,000.00	16,000.00	13,199.72		2,800.28	
Women's Services						
Peer Grouping	14,500.00	14,500.00	14,500.00			
HIV Case Management	500.00	500.00			500.00	
Office on the Disabled						
Salaries and Wages	84,200.00	84,200.00	81,838.66		2,361.34	
Other Expenses	23,600.00	26,600.00	21,758.86	1,962.48	2,878.66	
Peer Grouping	24,000.00	24,000.00	19,419.50	4,500.00	80.50	
Salem Area Office on Aging	110,000.00	110,000.00	109,869.34		130.66	
Office on Aging Medical Transportation	50,000.00	50,000.00	41,840.28	8,159.71	0.01	
JACC / CAP Review	148,180.00	148,180.00	80,736.27		1,250.00	\$ 66,193.73
Reappropriated 2005	94,002.99	94,002.99	50,957.35	15,390.21		27,655.43
Reappropriated 2006	70,500.00	70,500.00				70,500.00
Tubercular Sanitarium						
Outpatient Clinic Service						
Other Expenses	10,575.00	10,575.00	263.78	500.00	9,811.22	
Inpatient Services						
Other Expenses	720.00	720.00			720.00	
Public Health Emergency	15,000.00	15,000.00			15,000.00	
Aid to Salem County Unit New Jersey Association of Retarded Citizens (R.S. 40:23-8.11)						
Peer Grouping	20,000.00	20,000.00	20,000.00			
Other Expenses	10,000.00	10,000.00	10,000.00			
County Welfare Board						
Administration	1,578,006.45	1,578,006.45	1,578,006.45			
Services	101,621.89	101,621.89	101,621.89			
Local:						
Temporary Assistance Needy Family (TANF)	93,194.00	93,194.00	93,194.00			
Assistance to Supplemental Security Income Recipients - State Share	208,847.00	208,847.00	208,847.00			
Meals on Wheels						
Peer Grouping	13,000.00	13,000.00	13,000.00			
Salem County Home						
Salaries and Wages	4,400,000.00	4,235,000.00	4,002,571.20		232,428.80	
Other Expenses:						
Miscellaneous	2,213,849.00	2,363,849.00	2,020,932.68	232,047.12	110,869.20	
Offset with Nursing Home Donations	1,770.67	1,770.67	-	698.00		1,072.67
Alcohol Treatment/County Contributions	40,000.00	40,000.00	12,964.00	27,032.00	4.00	
County Health Service - Interlocal Agreement (40:8A-1 et seq)						
Salaries and Wages	662,000.00	662,000.00	604,060.01		57,939.99	
Other Expenses:						
Nursing Services	68,530.00	68,530.00	36,879.29	2,276.78	29,373.93	
Administrative	49,255.00	49,255.00	29,794.12	1,752.22	17,708.66	
Environmental	24,450.00	24,450.00	16,819.16	3,948.95	3,681.89	
Cumberland County - Priority Health Funding						
Salaries and Wages	35,296.00	35,296.00	32,213.16		3,082.84	
Other Expenses	1,000.00	1,000.00	915.75		84.25	
Commission on Women						
Other Expenses	5,167.00	5,167.00	2,061.20		3,105.80	
Maintenance of Patients in State Institutions - Mental Diseases (N.J.S.A. 30:4-79)						
State Share	1,634,674.00	1,634,674.00	1,634,674.00			
Local Share	408,669.00	408,669.00	408,669.00			

(Continued)

COUNTY OF SALEM
CURRENT FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2007

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<u>Health and Human Services (Cont'd):</u>						
Maintenance of Patients in State Institutions for the Mentally Retarded (N.J.S.A. 30:4-79)						
State Share	\$ 2,339,355.00	\$ 2,339,355.00	\$ 2,339,355.00			
Mental Health Board (R.S. 30:9A-3)						
Other Expenses	2,675.00	2,675.00	2,643.16	\$ 12.50	\$ 19.34	
Peer Grouping	17,000.00	17,000.00	1,500.00	15,500.00		
Community Health Law Project	60,000.00	60,000.00	46,042.00		13,958.00	
Home & Hospice Care of SJ						
Other Expenses:						
Peer Grouping	14,000.00	14,000.00	14,000.00			
New Jersey Division of Youth and Family Services						
State Share	1,287,896.00	1,287,896.00	1,287,896.00			
Total Health and Human Services	15,962,051.50	15,950,051.50	14,962,870.53	313,779.97	507,979.17	\$ 165,421.83
<u>Parks and Recreation</u>						
Parks and Playgrounds						
Other Expenses	10,000.00	10,000.00		10,000.00		
Total Parks and Recreation	10,000.00	10,000.00		10,000.00		
<u>Educational Functions</u>						
Free Library Service to the Aging						
Other Expenses	170,950.00	170,950.00	170,950.00			
Free Library Service to the Aging						
Peer Grouping	15,000.00	15,000.00	15,000.00			
Salem 2000						
Other Expenses	100.00	100.00	100.00			
Educational Programs for Employees						
Salaries and Wages	7,000.00	7,000.00	6,809.74		190.26	
Other Expenses	100.00	100.00			100.00	
Salem County Community College	2,423,495.00	2,423,495.00	2,423,495.00			
Reimbursements for Residents Attending Out-of-County Two-Year Colleges (N.J.S.18A:64A-23)	149,000.00	149,000.00	52,155.80	1,923.10	94,921.10	
County Extension Service - Farm and Home Demonstrations						
Salaries and Wages	190,500.00	180,500.00	165,038.42		15,461.58	
Other Expenses	65,500.00	65,500.00	51,157.08	12,020.70	2,322.22	
Salem County Vocational Tech School	1,562,500.00	1,562,500.00	1,562,500.00			
Office of County Superintendent of Schools						
Salaries and Wages	161,500.00	161,500.00	151,029.60		10,470.40	
Other Expenses	19,500.00	19,500.00	17,198.34	502.23	1,799.43	
County Special Services School District Annual Appropriations (N.J.S.A.18A:46-29)	303,117.00	303,117.00	303,117.00			
Total Educational Functions	5,068,262.00	5,058,262.00	4,918,550.98	14,446.03	125,264.99	
<u>Unclassified</u>						
Veteran's Service Bureau						
Salaries and Wages	36,970.00	36,970.00	35,976.57		993.43	
Other Expenses	4,660.00	4,660.00	4,226.09		433.91	
Accumulated Leave Compensation	172,237.95	172,237.95	142,101.92		30,136.03	
Community Bus Service						
Salaries and Wages	542,000.00	542,000.00	533,076.79		8,923.21	
Other Expenses	275,000.00	275,000.00	234,820.63	13,972.93	26,206.44	
Utilities	2,050,000.00	2,250,000.00	1,823,897.86	131,440.27	294,661.87	
Total Unclassified	3,080,867.95	3,280,867.95	2,774,099.86	145,413.20	361,354.89	

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2007

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<u>State and Federal Programs Off-Set by Revenues:</u>						
Area Plan Grant	\$ 879,103.00	\$ 890,895.00	\$ 890,895.00			
Alcohol and Drug Abuse Services						
#00-582-ADA-00-Comprehensive Program						
State Share	247,240.00	247,240.00	247,240.00			
Local Share	20,145.00	20,145.00	20,145.00			
Alliance to Prevent Alcohol and Drug Abuse	137,783.00	137,783.00	137,783.00			
NJ Department of Public Health - Right to Know						
Project - #92-2239-RTK	8,786.00	8,786.00	8,786.00			
NJ Department of Environmental Protection						
County Environmental Health Act						
State Share	124,016.00	124,016.00	124,016.00			
Local Share	124,016.00	124,016.00	124,016.00			
Senior Citizen and Disabled Residents						
Transportation Assistance Act	593,810.00	593,810.00	593,810.00			
New Jersey State Council Local Arts						
State Share	54,525.00	54,525.00	54,525.00			
New Jersey Department of Human Services						
County Mental Health Administrator	83,537.00	83,537.00	81,677.38		\$ 1,859.62	
New Jersey Department of Human Services -						
Family Court	99,378.00	99,378.00	99,378.00			
Juvenile Justice Commission	199,288.00	199,288.00	199,288.00			
Matching Funds for Grants	300,000.00	182,847.00			182,847.00	
JAIBG Funds - Youth Services Commission						
State Share	9,488.00	9,488.00	9,488.00			
Local Share	1,054.00	1,054.00	1,054.00			
Body Armor Fund for Prosecutor	1,616.19	1,616.19	1,616.19			
Body Armor Fund for Sheriff	13,057.12	13,057.12	13,057.12			
Salem Comprehensive Child Passenger						
Safety Program		27,144.00	27,144.00			
Prosecutor Insurance Fraud Reimbursement	148,380.00	148,380.00	148,380.00			
WIA Dislocation		137,982.00	137,982.00			
PASP - Personal Attendant Services	112,496.00	112,496.00	112,496.00			
Local Arts Initiative Grant	22,000.00	22,000.00	22,000.00			
Cancer Education & Early Detection Program		151,097.00	151,097.00			
Veterans Transportation Grant		13,000.00	13,000.00			
Workforce Development Partnership Program -						
TANF - Smart STEPS	12,106.00	12,106.00	12,106.00			
TANF - Case Mangement		88,051.00	88,051.00			
Work Force Development Partnership Program		7,767.00	7,767.00			
Work First New Jersey	55,656.00	55,656.00	55,656.00			
Work First New Jersey TANF Work Activities		390,198.00	390,198.00			
Work First New Jersey- CAVP & EEI		15,968.00	15,968.00			
Work First New Jersey- GA/FS Work Activities		71,124.00	71,124.00			
Work First New Jersey- GA/FS Case Mangement		52,057.00	52,057.00			
Comprehensive Cancer Control Plan		65,000.00	65,000.00			
State Homeland Security Grant Program 2007		354,112.40	354,112.40			
Tobacco Age-of-Sale Enforcement Program		11,880.00	11,880.00			
Early Intervention Program and Case Management		137,980.00	137,980.00			
CHLP Grant of Seminar	7,500.00	7,500.00	7,500.00			
Office of Emergency Telecommunications Services	60,000.00	60,000.00	60,000.00			
WIA Youth	1,575.00	139,166.00	139,166.00			
WIA Adult	986.00	138,519.00	138,519.00			
NJ Build	380.00	380.00	380.00			
EIP Additional	1,500.00	1,500.00	1,500.00			
NJ Sex Offender Central Internet Registry Grant	4,740.00	4,740.00	4,740.00			
Mental Health Board Planning Grant		12,000.00	12,000.00			
Cops in Shops		6,000.00	6,000.00			
Enhanced 9-1-1 General Assistance & Equipment		60,000.00	60,000.00			
Medical Reserve Support		10,000.00	10,000.00			
Project Lifesaver		82,150.00	82,150.00			
DCA-Recreation for Individuals with Disabilities		3,420.00	3,420.00			
DCA- Small Cities Block Grant		400,000.00	400,000.00			
County Environmental Health Act		41,881.00	41,881.00			
TANF Work Verification		2,831.00	2,831.00			
Personal Assistance Services Program		17,377.00	17,377.00			
Senior Farmers' Market Nutrition Program		1,000.00	1,000.00			
Radiological Emergency Response Planning		110,080.00	110,080.00			
Justice Assistance Grant		174,680.00	174,680.00			

(Continued)

COUNTY OF SALEM
CURRENT FUND
 Statement of Expenditures -- Regulatory Basis
 For the Year Ended December 31, 2007

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
<u>State and Federal Programs Off-Set by Revenues (Cont'd):</u>						
State Homeland Security Grant Program Code Orange		\$ 27,325.00	\$ 27,325.00			
Salem County Roadway Striping Program-						
Various Municipalities		542,150.00	542,150.00			
Historical Commission Grant		18,000.00	18,000.00			
Pennsville-Auburn Road, County Road #551, Phase II		780,000.00	780,000.00			
Public Health Preparedness & Response for Bioterrorism		595,220.00	595,220.00			
MICA Training		1,475.00	1,475.00			
County Disaster Liaison		2,500.00	2,500.00			
Public Archives & Records Infrastructure Support Grant		891,070.00	891,070.00			
Farmland Preservation Program		8,181,578.46	8,181,578.46			
Salem County Safety Projects in Pennsville and Upper Pittsgrove twp.		136,918.00	136,918.00			
2007 County Aid Improvement Program		1,818,000.00	1,818,000.00			
Total State and Federal Programs Off-Set by Revenues	\$ 3,324,161.31	18,932,940.17	18,748,233.55		\$ 184,706.62	
Total Operations	64,379,029.24	80,278,452.10	74,482,320.39	\$ 2,130,599.79	3,500,110.09	\$ 165,421.83
Contingent	60,000.00	60,000.00	32,306.27			27,693.73
Total Operations Including Contingent	64,439,029.24	80,338,452.10	74,514,626.66	2,130,599.79	3,500,110.09	193,115.56
Detail:						
Salaries & Wages	26,250,756.43	26,059,056.43	24,604,412.16	-	1,454,644.27	-
Other Expenses (Including Contingent)	38,188,272.81	54,279,395.67	49,910,214.50	2,130,599.79	2,045,465.82	193,115.56
<u>Capital Improvements</u>						
Reconstruction of Various County Roads-Engineers	2,455,937.00	2,455,937.00	2,095,835.98	355,571.25	4,529.77	
Reconstruction of Various County Roads-Road Dept.	708,000.00	708,000.00	230,760.85	414,319.09	62,920.06	
Alterations and Improvements to County Buildings	150,000.00	150,000.00	64,351.09	85,477.50	171.41	
ADA Compliance - County Buildings	15,000.00	15,000.00		14,994.00	6.00	
Interest Earned on N.J. Department of Transportation Grant Funds - Local Bridge	31,478.81	31,478.81	31,478.81			
Interest Earned on N.J. Department of Transportation Grant Funds - (County Aid Improvement Program): Reconstruction of Various County Roads	402,792.28	402,792.28	402,792.28			
Information Technology - Purchase of Equipment	174,400.00	174,400.00	144,208.97	24,166.80	6,024.23	
Information Technology - Departmental Equip. Purchase	70,000.00	70,000.00	70,000.00			
Demolition/Renovation of Alm's House	370,000.00	370,000.00	370,000.00			
Disaster Recovery	300,000.00	300,000.00	299,762.90		237.10	
Purchase of Weapons of Sheriff/Jail	40,000.00	40,000.00	37,645.55		2,354.45	
Repairs to Mosquito Exterm. Equipment	91,100.00	91,100.00	91,100.00			
Bathmetric Study for Avis Mill Pond	45,000.00	45,000.00	37,000.00	8,000.00		
Railroad Reconstruction and Upgrade	200,000.00	232,000.00	232,000.00			
Total Capital Improvements	5,053,708.09	5,085,708.09	4,106,936.43	902,528.64	76,243.02	
<u>County Debt Service</u>						
Payment of Bond Principal						
County College Bonds	385,000.00	385,000.00	385,000.00			
Vocational School Bonds	105,000.00	105,000.00	105,000.00			
Other Bonds	840,000.00	840,000.00	840,000.00			
Interest on Bonds						
County College Bonds	145,000.00	145,000.00	135,475.34			9,524.66
Vocational School Bonds	55,000.00	55,000.00	35,979.18			19,020.82
Other Bonds	310,000.00	310,000.00	310,000.00			
Salem County Improvement Authority - Lease:						
County Jail	1,778,790.00	1,778,790.00	1,778,790.00			
Salem County Improvement Authority - Additional Rent Payment:						
County Jail	20,000.00	20,000.00	20,000.00			
Total County Debt Service	3,638,790.00	3,638,790.00	3,610,244.52			28,545.48

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Expenditures -- Regulatory Basis
For the Year Ended December 31, 2007

	Appropriations		Paid or Charged			Unexpended Balance Cancelled
	Budget	Budget After Modification	Expended	Encumbered	Reserved	
DEFERRED CHARGES AND STATUTORY EXPENDITURES -- COUNTY						
Prior Years' Bills:						
2002 RVCR - Michael Baker, Jr. Inc.	\$ 5,750.00	\$ 5,750.00				\$ 5,750.00
2004 Road - Consulting Engineer Services	1,131.00	1,131.00	\$ 1,131.00			
2004 RVCR - Federici & Akin	28,097.06	28,097.06	27,279.68			817.38
2004 Jail- Leigh Hopkins, MD	112.00	112.00	112.00			
2004 Jail- Joel Weisblatt	534.00	534.00	534.00			
2004 Jail- Kenitay Wilson	154.47	154.47	154.47			
2004 RVCR - Adams, Rehmann & Heggan	2,200.00	2,200.00	1,583.00			617.00
2004 Jail NNA Salem	33,175.44	33,175.44	33,175.44			
2004 Jail Cooper University Radiology	100.14	100.14	100.14			
2004 Jail Alliance Radiology	51.00	51.00	51.00			
2005 Economic Dev. - Guest Info/SJ Tour	2,400.00	2,400.00	2,400.00			
2005 Jail- Leigh Hopkins	91.00	91.00	91.00			
2005 Prosecutor- Cowans Auto Center	106.95	106.95	106.95			
2005 Prosecutor- NJ Bias Crime Officers Assoc.	150.00	150.00	150.00			
2005 Sheriff- W.B. Mason Co. Inc.	14.64	14.64	14.64			
2005 RVCR- Michael Baker Jr. Inc	93,770.79	93,770.79	40,908.71			52,862.08
2005 Info. Tech. - Service Lighting& Electrical	430.00	430.00				430.00
2005 RVCR- M.L. Ruberton Const. Co	80,919.50	80,919.50				80,919.50
2005 RVCR- Federici & Akin	84,544.00	84,544.00	67,462.50			17,081.50
2005 RVCR- Highway Safety	2,223.38	2,223.38	2,223.38			
2005 RVCR- R.E. Pierson Constr. Co., Inc.	59,365.94	59,365.94				59,365.94
2005 RVCR-Sout State	8,803.36	8,803.36	8,803.36			
2005 Road- Dehart & Son	1,791.33	1,791.33	1,791.33			
2005 Road- Riverfront Health Systems	375.00	375.00	375.00			
Homeland Secuity-Deficit in Grant	2,979.16	2,979.16	2,979.16			
2005 RVCR- Highway Safety	1,300.00	1,300.00	574.00			726.00
The Memorial Hospital of Salem County	46.74	46.74	46.74			
2004 Reimb.Red 2 year Out of County College-CCC	306.26	306.26	306.26			
Statutory Expenditures						
Contribution to:						
Public Employees' Retirement System	475,000.00	475,000.00	432,688.98		\$ 42,311.02	
Police and Firemen's Retirement System	865,000.00	865,000.00	836,369.17		28,630.83	
Social Security System (O.A.S.I.)	2,349,999.51	2,027,355.51	1,972,752.73		54,602.78	
Total Deferred Charges and Statutory Expenditures - County						
	4,100,922.67	3,778,278.67	3,434,164.64		125,544.63	218,569.40
Judgements	375,000.00	375,000.00	57,792.62		317,207.38	
Total General Appropriations						
	\$ 77,607,450.00	\$ 93,216,228.86	\$ 85,723,764.87	\$ 3,033,128.43	\$ 4,019,105.12	\$ 440,230.44
Original Budget						
Appropriated by N.J.S.A. 40A-87		\$ 77,607,450.00				
Reserve for Federal and State Grants Funds - Appropriated		15,608,778.86				
Refunds of Appropriations			\$ 18,666,556.17			
Disbursed			(1,531,995.90)			
			68,589,204.60			
		\$ 93,216,228.86	\$ 85,723,764.87			

The accompanying Notes to Financial Statements are an integral part of this statement.

COUNTY OF SALEM
TRUST FUND
Statement of Assets, Liabilities And Reserves--Regulatory Basis
As of December 31, 2007 and 2006

	<u>Ref.</u>	<u>Balance</u> <u>December 31, 2007</u>	<u>Balance</u> <u>December 31, 2006</u>
ASSETS			
Cash - County Financial Officer	SB-1	\$ 10,620,217.11	\$ 9,408,781.97
Mortgages Receivable	SB-2	82,510.32	92,032.36
Due from Current Fund	SB-3	193.02	
		<u>\$ 10,702,920.45</u>	<u>\$ 9,500,814.33</u>
LIABILITIES AND RESERVES			
Due Current Fund	SB-3	\$ 171.24	\$ 2,748.52
Reserve for:			
Trust - Other Funds	SB-4;SB-5	9,644,812.90	9,051,374.07
Reserve for Encumbrances	SB-6	1,057,936.31	446,691.74
		<u>\$ 10,702,920.45</u>	<u>\$ 9,500,814.33</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

COUNTY OF SALEM
TRUST FUND - OPEN SPACE AND FARMLAND PRESERVATION
Statement of Revenues and Other Credits to Income--Regulatory Basis
For the Year Ended December 31, 2007

	Anticipated <u>Budget</u>	<u>Realized</u>	Excess <u>(Deficit)</u>
Amount to be Raised by Taxation	\$ 995,525.72	\$ 1,004,553.80	\$ 9,028.08
Miscellaneous		42,671.98	42,671.98
	<u>\$ 995,525.72</u>	<u>\$ 1,047,225.78</u>	<u>\$ 51,700.06</u>
Total Open Space Revenues			

Analysis of Realized Revenues

Amount to be Raised by Taxation:

Receipts:

Open Space Tax Levy
 Added/Omitted Taxes

\$ 995,525.72
9,028.08

\$ 1,004,553.80

Miscellaneous:

Receipts:

Interest on Deposits

\$ 42,671.98

The accompanying Notes to Financial Statements are an integral part of this statement.

COUNTY OF SALEM
 TRUST FUND - MUNICIPAL OPEN SPACE AND FARMLAND PRESERVATION
 Statement of Expenditures and Other Charges to Income--Regulatory Basis
 For the Year Ended December 31, 2007

	Appropriations			Paid or Charged	Reserved	Balance Canceled
	Original Budget	Budget After Modification				
Debt Service:						
Payment of Bond Principal	\$ 290,000.00	\$ 290,000.00	\$ 290,000.00			
Interest on Bonds	308,675.00	308,675.00	308,675.00			
Reserve for Future Use	396,850.72	396,850.72	396,850.72			
	<u>\$ 995,525.72</u>	<u>\$ 995,525.72</u>	<u>\$ 995,525.72</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statements of Assets, Liabilities, Reserves and Fund Balance--Regulatory Basis
As of December 31, 2007 and 2006

<u>ASSETS</u>	<u>Ref.</u>	<u>Balance</u> <u>Dec. 31, 2007</u>	<u>Balance</u> <u>Dec. 31, 2006</u>
Cash	SC-1	\$ 9,253,451.99	\$ 12,942,956.65
Loan Receivable	SC-2	1,300,000.00	
Deferred Charges to Future Taxation:			
Funded	SC-4	20,884,000.00	21,134,000.00
Unfunded	SC-5	6,811,330.04	3,139,905.04
		<u>\$ 38,248,782.03</u>	<u>\$ 37,216,861.69</u>
<u>LIABILITIES, RESERVES AND FUND BALANCE</u>			
Serial Bonds Payable	SC-8	\$ 19,584,000.00	\$ 21,134,000.00
Improvement Authorizations:			
Funded	SC-7	7,121,986.97	5,943,520.42
Unfunded	SC-7	6,811,330.04	3,139,905.04
Contracts Payable	SC-9	3,306,344.11	5,541,815.32
Dam Restoration Loan Payable	SC-12	1,300,000.00	
Due Current Fund	SC-3	3,575.00	
Capital Improvement Fund	SC-10	3,164.75	1,339,239.75
Fund Balance	C-1	118,381.16	118,381.16
		<u>\$ 38,248,782.03</u>	<u>\$ 37,216,861.69</u>

There were Bonds and Notes authorized, but not issued in the amount of \$6,811,330.04 and \$3,139,905.04 for the years ended December 31, 2007 and 2006.

The accompanying Notes to Financial Statements are an integral part of this statement.

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Fund Balance--Regulatory Basis
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 118,381.16
Increased by:	
Funded Improvement Authorizations Canceled	<u>328,000.00</u>
	446,381.16
Decreased by:	
Improvement Authorizations	<u>328,000.00</u>
Balance December 31, 2007	<u><u>\$ 118,381.16</u></u>

The accompanying Notes to Financial Statements are an integral part of this statement.

COUNTY OF SALEM
GENERAL FIXED ASSETS ACCOUNT GROUP
Statement of General Fixed Assets Group of Account
For the Year Ending December 31, 2007

ASSETS:	<u>Balance</u> <u>Dec. 31, 2006</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>Dec. 31, 2007</u>
Land and Buildings	\$ 20,969,323.23			\$ 20,969,323.23
Equipment and Vehicle	10,031,733.41	184,655.30	10,990.52	10,205,398.19
	<u>\$ 31,001,056.64</u>	<u>\$ 184,655.30</u>	<u>\$ 10,990.52</u>	<u>\$ 31,174,721.42</u>
FUND BALANCE:				
Investment in General Fixed Assets	<u>\$ 31,001,056.64</u>	<u>\$ 184,655.30</u>	<u>\$ 10,990.52</u>	<u>\$ 31,174,721.42</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

COUNTY OF SALEM
Notes to Financial Statements
For the Year Ended December 31, 2007

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Financial Reporting Entity - The County of Salem was incorporated on February 13, 1798. It is located in the southwest corner of New Jersey and covers approximately 350 square miles. The County of Gloucester is on the County's northern side and the County of Cumberland forms the eastern and southeastern border of the County.

The County's geographic makeup consists of State Parks, Fish and Wildlife Management Areas, Government Facilities, and meadows or low-lying areas. Forty-eight percent is devoted to agriculture, thirteen percent is developed for residential use (approximately 9,000 acres), and commercial and industrial use (approximately 6,500 acres). The New Jersey Turnpike travels through the County.

In Salem County there are fifteen political subdivisions, consisting of one city, eleven townships and three boroughs. The population of the County of Salem according to the official 2000 census is 64,285.

The County government operates under a seven member Board of Chosen Freeholders, elected at-large by the voters of the County. A Freeholder, under old English rule, was a person who owned property outright, free of debt, and therefore was deemed to be a leading citizen, eligible for membership on the governing body. Under present form of government, the property rule as a qualification for holding office has been abolished. Each member is elected to a term of three years. A director and deputy director are selected from their membership at the first meeting of each year. The Freeholders have both administrative and policy-making powers.

Component Units - The financial statements of the component units of the County of Salem are not presented in accordance with Governmental Accounting Standards Board Statement No. 14. If the provisions of GASBS No. 14 had been complied with, the financial statements of the following component units would have been either blended or discretely presented with the financial statements of the County, the primary government:

Salem County Improvement Authority
 94 Market Street
 Salem, NJ 08079

Salem Community College
 460 Hollywood Avenue
 Carneys Point, NJ 08069

Pollution Control Financing Authority
 94 Market Street
 Salem, NJ 08079

Salem County Utilities Authority
 52 McKillip Road, Box 890
 Alloway, NJ 08001

Salem County Vocational-
 Technical Schools
 Salem-Woodstown Road
 Woodstown, New Jersey 08098

Special Services School
 District of the County of Salem
 328-B North Broadway
 Pennsville, New Jersey 08070

Annual financial reports may be inspected directly at the offices of these component units during regular business hours.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Basis of Accounting, Measurement Focus and Basis of Presentation - The financial statements of the County of Salem contain all funds and account groups in accordance with the "Requirements of Audit" as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services. The principles and practices established by the Requirements of Audit are designed primarily for determining compliance with legal provisions and budgetary restrictions and as a means of reporting on the stewardship of public officials with respect to public funds. Generally, the financial statements are presented using the flow of current financial resources measurement focus and modified accrual basis of accounting with minor exceptions as mandated by these "Requirements". In addition, the prescribed accounting principles previously referred to differ in certain respects from accounting principles generally accepted in the United States of America applicable to local government units. The more significant differences are explained in this Note.

In accordance with the "Requirements", the County of Salem accounts for its financial transactions through the use of separate funds, which are described as follows:

Current Fund - The Current Fund accounts for resources and expenditures for governmental operations of a general nature, including Federal and State grant funds.

Trust Funds - The various Trust Funds account for receipts, custodianship and disbursement of funds in accordance with the purpose for which each reserve was created.

General Capital Fund - The General Capital Fund accounts for receipt and disbursement of funds for the acquisition of general capital facilities, other than those acquired in the Current Fund.

Budgets and Budgetary Accounting - The County of Salem must adopt an annual budget for its current fund in accordance with N.J.S.A. 40A:4 et seq. N.J.S.A. 40A:4-5 requires the governing body to introduce and approve the annual county budget no later than January 26 of each year. At introduction, the governing body shall fix the time and place for a public hearing on the budget and must advertise the time and place at least ten days prior to the hearing in a newspaper published and circulating in the county. The public hearing must not be held less than twenty-eight days after the date the budget was introduced. After the hearing has been held, the governing body may, by majority vote, adopt the budget or may amend the budget in accordance with N.J.S.A. 40A:4-9. Amendments to adopted budgets, if any, are detailed in the statements of revenues and expenditures.

An extension of the statutory dates for introduction, approval and adoption of the county budget may be granted by the Director of the Division of Local Government Services, with the permission of Local Finance Board.

Budgets are adopted on the same basis of accounting utilized for the preparation of the County's financial statements.

Cash, Cash Equivalents and Investments - Cash and cash equivalents include petty cash, change funds and cash on deposit with public depositories. All certificates of deposit are recorded as cash regardless of the date of maturity. Investments are stated at cost. Consequently, unrealized gain or loss on investments has not been recorded in accordance with Governmental Accounting Standards Board Statement No. 31.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Cash, Cash Equivalents and Investments (Cont'd) - New Jersey municipal units are required by N.J.S.A. 40A:5-14 to deposit public funds in a bank or trust company having its place of business in the State of New Jersey and organized under the laws of the United States or of the State of New Jersey or in the New Jersey Cash Management Fund. N.J.S.A. 40A:5-15.1 provides a list of investments which may be purchased by New Jersey municipal units. In addition, other State statutes permit investments in obligations issued by local utilities and other state agencies.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the Governmental Units.

The cash management plan adopted by the County of Salem requires it to deposit funds in public depositories protected from loss under the provisions of the Act.

Interfunds - Interfund receivables and payables that arise from transactions between funds are recorded by all funds affected by such transactions in the period in which the transaction is executed. Interfund receivables in the Current Fund are recorded with offsetting reserves which are created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in the other funds are not offset by reserves.

Inventories of Supplies - The costs of inventories of supplies for all funds are recorded as expenditures at the time individual items are purchased. The costs of inventories are not included on the various statements of assets, liabilities, reserves and fund balance.

General Fixed Assets - Accounting for Governmental Fixed Assets, as required by N.J.A.C. 5:30-5.6, differs in certain respects from accounting principles generally accepted in the United States of America. In accordance with the regulations, all local units, including municipalities, must maintain a general fixed assets reporting system that establishes and maintains a physical inventory of nonexpendable, tangible property as defined and limited by the U.S. Office of Management and Budget Circular A-87 (Attachment B, Section 19), except that the useful life of such property is at least five years. The County has adopted a capitalization threshold of \$5,000, the maximum amount allowed by the Circular. Generally, assets are valued at historical cost. No depreciation of general fixed assets is recorded. Donated general fixed assets are recorded at their estimated fair market value on the acquisition date. Interest costs relative to the acquisition of general fixed assets are recorded as expenditures when paid. Public domain ("infrastructure") general fixed assets consisting of certain improvements such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized. Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation. The County is required to maintain a subsidiary ledger detailing fixed assets records to control additions, retirements and transfers of fixed assets. In addition, a Statement of General Fixed Assets, reflecting the activity for the year, must be included in the County's basic financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

General Fixed Assets (Cont'd) - The regulations require that general fixed assets, whether constructed or acquired through purchase, grant or gift be included in the aforementioned inventory. In addition, property management standards must be maintained that includes accurate records indicating asset description, source, ownership, acquisition cost and date, the percentage of Federal participation (if any), and the location, use, and condition of the asset. Periodically, physical inventories must be taken and reconciled with these records. Lastly, all fixed assets must be adequately controlled to safeguard against loss, damage or theft.

Deferred Charges - The recognition of certain expenditures is deferred to future periods. These expenditures, or deferred charges, are generally overexpenditures of legally adopted budget appropriations or emergency appropriations made in accordance with N.J.S.A. 40A:4-46 et seq. Deferred charges are subsequently raised as items of appropriation in budgets of succeeding years.

Fund Balance - Fund Balance included in the current fund represents amounts available for anticipation as revenue in future years budgets, with certain restrictions.

Revenues - Revenues are recorded when received in cash except for certain amounts which are due from other governmental units. Revenue from Federal and State grants are realized when anticipated as such in the County's budget. Receivables for property taxes are recorded with offsetting reserves on the statement of assets, liabilities, reserves and fund balance of the County's Current Fund; accordingly, such amounts are not recorded as revenue until collected. Other amounts that are due the county which are susceptible to accrual are also recorded as receivables with offsetting reserves and recorded as revenue when received.

County Taxes - Every municipality is responsible for levying, collecting and remitting county taxes for the County of Salem. Property tax revenues are collected in quarterly installments due February 1, May 1, August 1, and November 1 and are due and payable to the County of Camden by February 15, May 15, August 15, and November 15. Operations for every municipality are charged for the amount due the County for the year, based upon the ratables required to be certified to the County Board of Taxation by January 10 of the current year. In addition, operations for every municipality are charged for the County share of Added and Omitted Taxes certified to the County Board of Taxation by October 10 of the current year and due to be paid to the County by February 15 of the following year.

Expenditures - Expenditures are recorded on the "budgetary" basis of accounting. Generally, expenditures are recorded when paid. However, for charges to amounts appropriated for "other expenses", an amount is encumbered through the issuance of a numerically controlled purchase order or when a contract is executed in accordance with N.J.A.C. 5:30-5.2. When encumbered charges are paid, the amount encumbered is simultaneously liquidated in its original amount. Encumbrances are offset by an account entitled reserve for encumbrances. The reserve is classified as a cash liability under New Jersey municipal accounting. At December 31, this reserve represents the portion of appropriation reserves that has been encumbered and is subject to the same provisions as appropriation reserves.

Appropriations for principal payments on outstanding general capital bonds and notes are provided on the cash basis; interest on general capital indebtedness is also on the cash basis.

Appropriation Reserves - Appropriation reserves covering unexpended appropriation balances are automatically created at year-end and recorded as liabilities, except for amounts which may be cancelled by the governing body. Appropriation reserves are available, until lapsed at the close of the succeeding year, to meet specific claims, commitments or contracts incurred during the preceding fiscal year. Lapsed appropriation reserves are recorded as income.

Note 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

Long-Term Debt - Long-Term Debt, relative to the acquisition of capital assets, is recorded as a liability in the General Capital Fund.

Compensated Absences and Postemployment Benefits - Compensated absences for vacation, sick leave and other compensated absences are recorded and provided for in the annual budget in the year in which they are paid, on a pay-as-you-go basis. Likewise, no accrual is made for post-employment benefits, if any, which are also funded on a pay-as-you-go basis.

Note 2: **CASH AND CASH EQUIVALENTS**

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits may not be returned to it. The County's formal policy regarding custodial credit risk is the same as described in Note 1, N.J.S.A. 17:9-41 et seq. and included in its cash management plan. The County shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act. As of December 31, 2007 the County's bank balance of \$48,557,552.56 was insured or collateralized as follows:

Insured	\$ 100,000.00
Collateralized under GUDPA	48,457,552.56
	<u>\$ 48,557,552.56</u>

Note 3: **PROPERTY TAXES**

The following is a five-year comparison of certain statistical information relative to property taxes and property tax collections for the current and previous four years.

Assessed Valuation

2007	\$ 4,977,484,104.00
2006	4,396,823,428.00
2005	4,037,008,118.00
2004	3,659,466,055.00
2003	3,498,103,135.00

Comparative Schedule of Tax Rates

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
County Tax Rate	<u>\$ 0.919</u>	<u>\$ 0.969</u>	<u>\$ 0.989</u>	<u>\$ 0.993</u>	<u>\$ 0.993</u>
County Open Space Tax Rate	<u>\$ 0.0200</u>	<u>\$ 0.0200</u>	<u>\$ 0.0200</u>	<u>NA</u>	<u>NA</u>

Note 3: PROPERTY TAXES (CONT'D)Comparison of Tax Levies and Collections

<u>Year</u>	<u>Tax Levy</u>	<u>Collections</u>	<u>Percentage of Collections</u>
2007	\$ 45,672,025.58	\$ 45,672,025.58	100.00%
2006	42,502,677.09	42,502,677.09	100.00%
2005	39,775,569.60	39,775,569.60	100.00%
2004	36,320,365.00	36,320,365.00	100.00%
2003	34,697,780.94	34,697,780.94	100.00%

Note 4: FUND BALANCES APPROPRIATED

The following schedule details the amount of fund balances available at the end of the current year and four previous years and the amounts utilized in the subsequent year's budgets.

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>	<u>Percentage of Fund Balance Used</u>
2007	\$ 16,869,634.68	\$ 8,053,000.00	47.74%
2006	17,942,798.31	8,514,902.99	47.46%
2005	17,344,640.60	7,476,115.53	43.10%
2004	15,441,178.33	6,388,997.55	41.38%
2003	13,825,788.39	6,533,708.23	47.26%

Note 5: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances were recorded on the various statements of assets, liabilities, reserves and fund balance as of December 31, 2007:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
Current Fund	\$ 3,746.24	\$ 3,616,714.45
Federal and State Grant Fund	3,616,521.43	
Trust Fund	193.02	171.24
General Capital Fund		3,575.00
	<u>\$ 3,620,460.69</u>	<u>\$ 3,620,460.69</u>

Note 6: **PENSION PLANS**

The County of Salem contributes to two cost-sharing multiple-employer defined benefit pension plans, the Public Employees' Retirement System and the Police and Firemen's Retirement System, which are administered by the New Jersey Division of Pensions and Benefits. These plans provide retirement, death and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B for the PERS and N.J.S.A. 43:16A and 43:3B for the PFRS. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System are required to contribute 5% of their annual covered salary. In accordance with Chapter 204, P.L. 1989, plan members enrolled in the Police and Firemen's Retirement System are required to contribute 8.5% of their annual covered salary. The County is billed annually for its normal contribution plus any accrued liability.

The County's contributions to the various plans, equal to the required contribution for each year, were as follows:

Public Employees' Retirement System

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by County</u>
2007	\$ 611,828.00	\$ 471,500.00	\$ 1,083,328.00	\$ 216,665.60	\$ 866,662.40 (1)
2006	510,407.00	265,044.00	775,451.00	310,180.40	465,270.60 (1)
2005	488,406.00	134,343.00	622,749.00	373,649.40	249,099.60 (1)

Police and Firemen's Retirement System

<u>Year</u>	<u>Normal Contribution</u>	<u>Accrued Liability</u>	<u>Total Liability</u>	<u>Funded by State</u>	<u>Paid by County</u>
2007	\$ 801,600.00	\$ 469,186.00	\$ 1,270,786.00	\$ -	\$ 1,270,786.00
2006	705,861.00	349,236.00	1,055,097.00	211,019.40	844,077.60 (1)
2005	600,323.00	217,839.00	818,162.00	327,264.80	490,897.20 (1)

The accrued liability for employees in the Public Employees Retirement System and the Police and Firemen's Retirement System as of December 31, 2007 is \$11,316,000 and \$11,729,650, respectively, payable in annual installments of \$471,500 and \$469,186, respectively, with the last installment's due on April 1, 2031 and 2032, respectively.

(1) Under the provisions of Chapter 108, P.L. 2003 the County share of the normal total contribution and accrued liability will increase approximately 20% per year until the County is paying 100% of the total normal contribution.

Note 6: PENSION PLANS (CONT'D)

Early Retirement Incentive Program - Legislation enacted in 1991 and 1993 made early retirement available through Early Retirement Incentive Programs. These Programs, which were subject to the approval of the County's governing body (within a limited period of time), were available to employees who met certain minimum requirements. The governing body of the County approved the Program on October 9, 1991 for eligible members of the PERS and on July 14, 1993 and December 29, 1993 for eligible members of the PERS and PFRS respectively. The number of employees who applied for early retirement during the 1991 Program could not be ascertained. Fifty-four employee applied for early retirement during the 1993 Program. Since no accrual has been made for the additional costs related to the Program, the County will fund such cost in an annual budget appropriation on a pay-as-you-go basis. Program costs will be billed annually by the Division of Pensions beginning April 1, 1997 for the PERS and April 1, 1998 for the PFRS. As of December 31, 2005, the remainder of the accrued liability to the PERS for the 1991 Program was \$159,078.00, which was paid by the last installment date of April 1, 2006. There was no accrued liability for PERS and PFRS, as of December 31, 2007.

Note 7: OTHER POST EMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 6, the County provides post retirement medical health insurance benefits, provided the employee qualifies for and has retired through the New Jersey Division of Pensions and Benefits under the Police and Fireman's Retirement System (PFRS) or the Public Employees Retirement System (PERS) and meets certain requirements. The health care benefits will be in a form consistent with that provided to all active employees of the County. The County funds these benefits on a pay-as-you-go basis and therefore does not record accrued expenses related to these benefits. During the year 2007, there were one hundred and fifteen retired employees who received this benefit resulting in the payment of \$1,009,684.17 in related health care premiums.

Note 8: COMPENSATED ABSENCES

Under existing policies of the County, upon retirement, employees will receive one-half of their accumulated sick days up to a maximum of \$15,000.00. Unused accumulated vacation is paid for at straight time. However, only a maximum of ten vacation days may be carried over to each subsequent calendar year.

The County has established a Compensated Absences Trust Fund to set aside funds for future payments of compensated absences. At December 31, 2007 the balance in the fund was \$1,583,696.17. It is estimated that, at December 31, 2007, accrued benefits for compensated absences are valued at \$1,793,711.44.

Note 9: DEFERRED COMPENSATION SALARY ACCOUNT

The County offers its employees a Deferred Compensation Plan in accordance with Internal Revenue Code Section 457, which has been approved by the Director of the Division of Local Government Services. The Plan, available to all full time employees at their option, permits employees to defer a portion of their salary to future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

Amounts deferred under Section 457 plans must be held in trust for the exclusive benefit of participating employees and not be accessible by the County or its creditors. Since the County does not have a fiduciary relationship with the Plan, the balances and activities of the Plan are not reported in the County's financial statements.

Note 10: LEASE OBLIGATIONS

Operating Leases-Future minimum rental payments under operating lease agreements are as follows:

<u>Year</u>	<u>Amount</u>
2008	\$ 1,868,390.81
2009	1,768,635.00
2010	1,771,460.00
2011	1,760,797.50
2012	1,761,075.00
2013-2017	8,801,540.00
2018-2019	3,818,875.00
	<u>\$ 21,550,773.31</u>

Rental payments under operating leases for the year 2007 were \$1,778,790.00

Note 11: NEW JERSEY UNEMPLOYMENT COMPENSATION INSURANCE

The County has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the County is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The County is billed quarterly for amounts due to the State. The following is a summary of County contributions, reimbursements to the State for benefits paid and the ending balance of the County's trust fund for the current and previous two years:

<u>Year</u>	<u>County Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2007	\$ 196,033.99	\$ 28,342.59	\$ 655,979.99
2006	203,497.37	69,413.32	488,288.59
2005	70,840.28	64,468.56	354,204.54

Note 12: CAPITAL DEBTSummary of County Debt

	<u>2007</u>	<u>2006</u>	<u>2005</u>
<u>Issued</u>			
General:			
Bonds and Notes	\$ 37,679,000.00	\$ 38,984,000.00	\$ 39,569,000.00
<u>Authorized But Not Issued</u>			
General:			
Bonds and Notes	<u>6,811,330.04</u>	<u>3,139,905.04</u>	<u>3,139,905.04</u>
Total Issued and Authorized But Not Issued	<u>44,490,330.04</u>	<u>42,123,905.04</u>	<u>42,708,905.04</u>
Deductions	<u>16,795,000.00</u>	<u>17,850,000.00</u>	<u>18,855,000.00</u>
Net Debt	<u>\$ 27,695,330.04</u>	<u>\$ 24,273,905.04</u>	<u>\$ 23,853,905.04</u>

Summary of Statutory Debt Condition – Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicated a statutory net debt of .58%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
General	<u>\$ 44,490,330.04</u>	<u>\$ 16,795,000.00</u>	<u>\$ 27,695,330.04</u>

Net Debt \$27,695,330.04 divided by the Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$4,758,327,701.00 equals 0.58%.

Borrowing Power Under N.J.S.A. 40A:26 as Amended

2% of Equalized Valuation Basis (County)	\$ 95,166,554.02
Net Debt	<u>27,695,330.04</u>
Remaining Borrowing Power	<u>\$ 67,471,223.98</u>

Note 12: CAPITAL DEBT (CONT'D)Schedule of Annual Debt Service for the Principal and Interest for Bonded Debt Issued and Outstanding

<u>General Debt - Serial Bonds</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2008	\$ 1,646,204.79	\$ 811,272.76	\$ 2,457,477.55
2009	1,748,348.83	752,399.73	2,500,748.56
2010	1,649,622.15	681,146.42	2,330,768.57
2011	1,716,921.05	618,162.52	2,335,083.57
2012	1,785,246.06	550,896.50	2,336,142.56
2013-2017	6,527,056.66	1,884,348.72	8,411,405.38
2018-2022	3,839,412.67	745,826.19	4,585,238.86
2023-2025	1,971,187.79	142,783.43	2,113,971.22
	<u>\$ 20,884,000.00</u>	<u>\$ 6,186,836.27</u>	<u>\$ 27,070,836.27</u>

Note 13: RISK MANAGEMENT

The County has adopted a plan of self-insurance for workers' compensation, automobile and general liability insurance. Excess liability insurance policies cover individual claims in excess of \$200,000 for automobile and general liability claims, and \$275,000 for workers' compensation claims.

At December 31, 2007, the balance of estimated payable for the workers' compensation insurance was \$4,946,886.67, the amount that the records of the administrator of the plan show as the estimated maximum amount of potential claims reported.

The balance of estimated payable for the general liability insurance was \$2,235,628.42, the amount that the records of the administrator of the plan show as the estimated maximum amount of potential claims reported, at December 31, 2007.

The balance of estimated payable for the auto liability insurance was \$109,057.35, the amount that the records of the administrator of the plan show as the estimated maximum amount of potential claims reported, at December 31, 2007.

The estimated payable for workers' compensation, auto liability and general liability insurance do not include any provision for claims incurred but not reported.

Any additional funds required for claims in excess of the amounts reserved and recorded as a liability will be paid and charged to the 2008 or future budgets. At December 31, 2007, the balance of the plans are as follows:

<u>Insurance Plan</u>	<u>Amount</u>
Reserve for Workers' Compensation Insurance - Trust Fund	\$ 704,091.39
Reserve for Self Insurance - Trust Fund	1,391,610.38
Hospitalization - Trust Fund	1,144,880.51

Note 14: SERVICE AGREEMENT

In 1984, a service agreement was enacted between the County and the Salem County Utilities Authority. Section 301 of the agreement provides "Charges may and shall at all times be such that the receipts of the Authority shall be sufficient to pay or provide for expenses of operation, repair and maintenance of the system including insurance, renewals and replacements and the cost of all enlargements and alterations of the system not otherwise provided for to pay the principal of and interest on any and all bonds or other obligations of the Authority as the same become due, and to repay to the County any deficiencies advances made by the County to meet any deficits of the Authority by any participant or any other municipality, authority, county, person, partnership, firm, public or private corporation, or from any other cause, and to provide and maintain such reserves or sinking funds for any of the foregoing purpose as may be required by the terms of any contract or other obligation of the Authority."

Section 401 provided "On or before January 15th next following the close of each fiscal year, the Authority shall make and deliver to the Board of Chosen Freeholders of the County, a certificate, signed by its Chairman or Vice-Chairman and its Registered Municipal Accountant, stating the receipts and expenses to the Authority for the current fiscal year and the estimated receipts and expenses to the

Authority for the current fiscal year, and deficiency advances (if any) payable by the County to the Authority, for or with respect to the preceding and current fiscal year. Such deficiency advances shall be a sum of money equal to the excess (if any) of the expenses of the Authority for a fiscal year over the receipts of the Authority such fiscal year."

Section 402 provides "On or before May 1st of each fiscal year, the County will pay to the Authority the deficiency advances (if any) stated in the certificate delivered to the Board of Chosen Freeholders pursuant to Section 401 of this Article."

In 1984, \$215,000.00 was repaid to the County of Salem regarding prior year advances to the Authority.

Subsequent to 1984 through December 31, 2007, the Authority has not requested any advances resulting from deficiencies or for any other purpose.

Note 15: CAPITAL DEBT REFUNDING

On March 29, 2007, the County issued \$4,285,000.00 in General Obligation Refunding Bonds with interest rates ranging from 3.50% to 5.00% to advance refund \$4,213,000.00 of outstanding 1999 General Obligation Bonds with an interest rate of 5.375%. The net proceeds of \$4,457,085.33 (after payment of issuance costs) were used to purchase obligations unconditionally guaranteed by the United States of America. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1999 General Improvement Refunded Bonds. As a result, the 1999 General Improvement Refunded Bonds were considered to be defeased and the liability for such bonds was removed from the general capital fund on March 29, 2007.

The County advance refunded the 1999 General Improvement Bonds to reduce its total debt service payments over the next thirteen years by \$291,403.06 and to obtain an overall economic gain (difference between the present values of the old and new debt service payments) of \$206,519.00.

Note 16: **CHANGE ORDERS**

During the year 2007, the County amended a contract by approving the following change order that resulted in the total amount of change orders executed for this project to exceed the originally awarded contract price by more than 20 percent:

<u>Resolution No.</u>	<u>Project Description</u>
2007-453	Reconstruction of Alloway-Shirley Rd., County Road #611, Phase IV

N.J.A.C. 5:30-11.3 (a) 9 and 10 states that the total number of change orders executed for a particular contract shall not cause the originally awarded contract price to be exceeded by more than twenty percent unless otherwise authorized, and that if proposed change orders do exceed that twenty percent limitation, no work shall be performed or purchases made until the procedures of N.J.A.C. 5:30-11.9 have been completed.

N.J.A.C. 5:30-11.9 delineates the required procedures for change orders, which exceed the twenty percent limitation. The County has complied with all provisions of N.J.A.C. 5:30-11.9.

Note 17: **OPEN SPACE, RECREATION, FARMLAND AND HISTORIC PRESERVATION TRUST**

On November 5, 2002, pursuant to P.L. 1997, c. 24 (N.J.S.A. 40:12-15.1 et seq.), the voters of Salem County authorized the establishment of the Salem County Open Space, Recreation, Farmland and Historic Preservation Trust Fund effective January 1, 2005, for the purpose of raising revenue for the acquisition of lands and interests in lands for the conservation of farmland and open space. The County proposed to levy a tax not to exceed two cents per one hundred dollars of equalized valuation. Amounts raised by taxation are apportioned by the County Board of Taxation among the municipalities in accordance with N.J.S.A. 54:4-9 and are assessed, levied and collected in the same manner and at the same time as other County taxes. Future increases in the tax rate or to extend the authorization must be authorized by referendum. All revenue received is accounted for in a Trust Fund dedicated by rider (N.J.S.A. 40A:4-39) for the purposed stated. Interest earned on the investment of these funds is credited to the Salem County Open Space, Recreation, Farmland and Historic Preservation Trust Fund.

Note 18: **LITIGATION**

The County is a defendant in several legal proceedings. However, it is believed that the outcome or exposure to the County, from such litigation is either unknown, or potential losses, if any, would not be material to the financial statements.

Note 19: SUBSEQUENT EVENTS**Sale of Bonds:**

Subsequent to December 31, 2007, the County of Salem sold County College Bonds in the amount of \$3,600,000.00. Such sale occurred on May 21, 2008.

Guarantee of Debt:

The County, also subsequent to December 31, 2007, authorized the guarantee of debt not to exceed \$2,000,000 for the Salem County Improvement Authority to issue bonds titled "Glass Blowing Project Bonds" pursuant to a bond resolution as lease revenue bonds regarding a lease purchase agreement between the Utilities Authority and the Improvement Authority. Such sale occurred on May 21, 2008.

Bonds and Notes:

Subsequent to December 31, 2007, the County of Salem Authorized Additional Bonds and Notes as follows:

\$6,000,000.00 on April 16, 2008 for the Salem County Special Services School District for the acquisition of real property and existing facilities along with various renovations and improvements.

\$9,854,000.00 on July 16, 2008 for the acquisition of equipment and various improvements.

Other:

The Salem County Board of Chosen Freeholders adopted a plan on June 10, 2008 to transfer the Nursing Home assets, liabilities and operations to the Salem County Improvement Authority on August 15, 2008.

SUPPLEMENTAL EXHIBITS

SUPPLEMENTAL EXHIBITS

CURRENT FUND

COUNTY OF SALEM
CURRENT FUND
Statement of Current Cash
Per N.J.S. 40A:5-5--Treasurer
For the Year Ended December 31, 2007

	<u>Regular Fund</u>	<u>Federal and State Grant Fund</u>
Balance December 31, 2006	\$ 29,284,660.65	
Increased by Receipts:		
County Taxes Receivable	\$ 46,165,976.92	
Revenue Accounts Receivable	22,885,220.93	
Miscellaneous Revenue Not Anticipated	1,026,714.41	
Refunds of Appropriations	1,531,995.90	\$ 7,290.08
Reserve for JACC/CAP	124,985.00	
Due from Current Fund		681,414.06
Due Trust Fund	82,177.80	
Due from Cultural & Heritage Commission	971.18	
Federal and State Grants Receivable		17,343,303.62
Reserve for Federal and State Grants - Unappropriated		<u>377,712.72</u>
	<u>71,818,042.14</u>	<u>\$ 18,409,720.48</u>
	101,102,702.79	18,409,720.48
Decreased by Disbursements:		
2007 Budget Appropriations	68,589,204.60	
2006 Appropriation Reserves	4,010,287.32	
Transfer to Federal and State Grant Fund:		
Prior Year Grant Receipt	4,346.70	
Due Trust Fund	79,407.50	
Due General Capital Fund	3,575.00	
Due Federal and State Grant Fund	681,414.06	18,409,720.48
Reserve for Federal and State Grants - Appropriated		
	<u>73,368,235.18</u>	<u>18,409,720.48</u>
Balance December 31, 2007	<u><u>\$ 27,734,467.61</u></u>	<u><u>\$ -</u></u>

COUNTY OF SALEM
CURRENT FUND
Statement of County Taxes Receivable
For the Year Ended December 31, 2007

	Balance Dec. 31, 2006	2007 County Tax Levy	Added/Omitted Taxes Billed County Taxes	Received	Balance Dec. 31, 2007
Alloway Township		\$ 2,498,215.74	\$ 29,453.82	\$ 2,498,215.74	\$ 29,453.82
Carneys Point Township	\$ 31,854.70	4,932,452.21	100,640.47	4,964,306.91	100,640.47
Elmer Borough	1,223.42	833,391.62	4,312.92	834,615.04	4,312.92
Elsinboro Borough	11,291.85	893,037.64	7,295.14	911,624.63	
Lower Alloways Creek Township		2,260,980.23	4,440.65	2,265,420.88	
Mannington Township	19,662.21	1,768,434.47	10,422.38	1,788,096.68	10,422.38
Oldmans Township		1,545,781.60	4,263.05	1,550,044.65	
Penns Grove Borough		1,391,603.79	5,289.44	1,396,893.23	
Pennsville Township	172,993.01	10,129,366.41	44,242.86	10,302,359.42	44,242.86
Pilesgrove Township	102,322.44	4,418,078.69	31,976.55	4,520,401.13	31,976.55
Pittsgrove Township	93,403.45	6,250,777.42	76,680.84	6,344,180.87	76,680.84
Quinton Township		1,525,728.20	8,679.50	1,534,407.70	
Salem City		1,926,660.27	756.75	1,927,417.02	
Upper Pittsgrove Township		2,884,607.81	12,543.96	2,897,151.77	
Woodstown Borough		2,412,909.48	17,931.77	2,430,841.25	
	<u>\$ 432,751.08</u>	<u>\$ 45,672,025.58</u>	<u>\$ 358,930.10</u>	<u>\$ 46,165,976.92</u>	<u>\$ 297,729.84</u>
2007 County Taxes - Cash Received				\$ 45,672,025.58	
Added and Omitted Taxes - County Tax				<u>493,951.34</u>	
				<u>\$ 46,165,976.92</u>	

COUNTY OF SALEM
CURRENT FUND
Statement of Revenue Accounts Receivable
For the Year Ended December 31, 2007

	Balance Dec. 31, 2006	Accrued	Collected	Balance Dec. 31, 2007
Miscellaneous Revenues Anticipated:				
County Clerk - Recording	\$ 80,954.00	\$ 942,126.74	\$ 972,348.47	\$ 50,732.27
Surrogate		83,671.03	83,671.03	
Sheriff	234.00	129,490.22	129,509.22	215.00
Interest on Investments and Deposits		1,322,905.21	1,322,905.21	
Salem County Home	107,841.92	5,341,648.12	5,315,838.59	133,651.45
Refunds - Public Health Department		31,568.44	31,568.44	
Planning Board - Development Review Fees		27,447.00	27,447.00	
Due From Lower Alloways Creek Township - C10 & 11, P.L. 1980		2,322,973.53	2,322,973.53	
Board of State and Federal Prisoners in County Jail		537,257.00	537,257.00	
Bail Forfeiture		42,331.00	42,331.00	
County Dispatch Service:				
Pennsville Township		37,800.00	37,800.00	
Elmer Borough		1,620.00	1,620.00	
Woodstown Borough		11,000.00	11,000.00	
Inmate Health/Reimbursement to Salem County		2,505.76	2,505.76	
State Aid - County College Bonds (NJSA 18A:64A22.6)		327,164.63	327,164.63	
Public Health Priority Funding - 1977		135,833.00	130,048.00	5,785.00
Debt Service - State Aid (Type I) Vocational Education Bonds		88,581.00	88,581.00	
Social and Welfare Services (c.66,P.L. 1990):				
Division of Youth and Family Services(DYFS) Costs		1,287,896.00	1,287,896.00	
Supplemental Social Security Income		202,765.00	202,765.00	
Psychiatric Facilities (c.73,P.L. 1990):				
Maintenance of Patients in State Institutions for Mental Diseases		1,766,705.00	1,766,705.00	
Maintenance of Patients in State Institutions for Mentally Retarded		2,339,355.00	2,339,355.00	
Board of County Patients in State and Other Institutions		24,624.47	24,624.47	
Salem County Utilities Authority - Solid Waste Code Enforcement	1,314.29			1,314.29
Salem County Area Office on Aging		58,000.00	58,000.00	
Reserve for JACC/CAP		148,180.00	148,180.00	
Salem County Home - Medicaid Reimbursement - Peer Grouping	131.49	418,261.32	444,054.40	(25,661.59)
Salem County Bus Service - NJ Transit Contract		889,881.56	889,881.56	
County Welfare Office - Social Services		92,372.58	92,372.58	
Rent - Agriculture Building		79,650.00	79,650.00	
Salem County Home - Additional		1,190,683.91	1,153,638.67	37,045.24
Rental - J.P. Rail Inc.		15,000.00	15,000.00	
911 Rental Tower Space		3,000.00	3,000.00	
Board of Federal Inmates in the County Jail		2,571,385.04	2,571,385.04	
Salem County Utilities Authority		239,570.00	239,570.00	
Gloucester County Alternative Youth Shelter Beds		42,699.16	42,699.16	
NEXTEL - Communications Tower		33,900.00	33,900.00	
Cumberland County - Sharing of Public Health Offices		48,109.50	48,109.50	
Board of Elections		59,141.85	59,141.85	
County Dispatch Services:				
Pennsville Township		22,200.00	22,200.00	
Elmer Borough		880.00	880.00	
Woodstown Borough		4,000.00	4,000.00	
City of Salem		40,833.00	40,833.00	
Title Section IV-D Reimbursement for State of NJ		80,992.82	80,990.82	
	<u>\$ 190,475.70</u>	<u>\$ 23,046,008.89</u>	<u>\$ 23,033,400.93</u>	<u>\$ 203,081.66</u>
Cash Received			\$ 22,885,220.93	
Prior Year Reserve Realized as Revenue			148,180.00	
			<u>\$ 23,033,400.93</u>	

COUNTY OF SALEM
CURRENT FUND
Statement of 2006 Appropriation Reserves
For the Year Ended December 31, 2007

	<u>Balance Dec. 31, 2006</u>			<u>Balance</u>	<u>Paid</u>	<u>Balanced</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Transfers</u>	<u>After</u> <u>Transfers</u>	<u>or</u> <u>Charged</u>	<u>Lapsed</u>
<u>General Government</u>						
Administrative and Executive						
Board of Chosen Freeholders						
Salaries and Wages		\$ 3,799.16		\$ 3,799.16	\$ 3,255.88	\$ 543.28
Other Expenses	\$ 178.50	2,667.18		2,845.68	331.09	2,514.59
Purchase Department and Inventory Control						
Salaries and Wages		1,124.57	\$ 800.00	1,924.57	1,896.30	28.27
Other Expenses	374.58	561.58		936.16	589.02	347.14
Clerk of the Board						
Salaries and Wages		36,133.67	(30,000.00)	6,133.67	3,276.40	2,857.27
Other Expenses	1,306.86	3,252.21		4,559.07	1,895.71	2,663.36
Salaries and Wages		517.32	350.00	867.32	861.00	6.32
Personnel/HR						
Salaries and Wages		14,966.20	(10,000.00)	4,966.20	2,742.50	2,223.70
Other Expenses	8,113.60	27,888.81		36,002.41	33,486.13	2,516.28
Archives						
Other Expenses	3,214.62	2,205.85		5,420.47	3,300.93	2,119.54
County Clerk						
Salaries and Wages		27,234.85	(19,000.00)	8,234.85	7,397.14	837.71
Other Expenses	6,707.02	12,196.35		18,903.37	6,098.00	12,805.37
School Board Elections	1,108.80	27,086.50		28,195.30	1,108.80	27,086.50
Election Costs	2,440.25	6,660.70		9,100.95	2,440.25	6,660.70
Grant Management						
Other Expenses		13,740.00		13,740.00		13,740.00
Board of Elections						
Salaries and Wages		9,124.39		9,124.39	3,724.60	5,399.79
Other Expenses	13,150.65	7,484.84		20,635.49	12,472.44	8,163.05
Department of Finance						
County Treasurer's Office						
Salaries and Wages		9,664.26		9,664.26	8,472.99	1,191.27
Other Expenses	3,789.87	3,863.33	(250.00)	7,403.20	7,403.20	-
County Auditor						
Annual Audit Fee		13,429.85		13,429.85		13,429.85
Information Technology						
Salaries and Wages		4,709.76		4,709.76	906.51	3,803.25
Other Expenses	48,679.75	66,451.31		115,131.06	100,224.23	14,906.83
County Adjuster's Office						
Salaries and Wages		1,320.81		1,320.81	1,235.39	85.42
Other Expenses		561.49	250.00	811.49	786.83	24.66
Board of Taxation						
Salaries and Wages		3,891.00		3,891.00	2,243.44	1,647.56
Other Expenses	282.60	2,488.91		2,771.51	613.60	2,157.91
County Counsel						
Salaries and Wages		1,155.80		1,155.80	1,155.80	
Other Expenses	1,210.17	6,076.61		7,286.78	1,543.07	5,743.71
County Surrogate						
Salaries and Wages		5,878.09		5,878.09	4,544.29	1,333.80
Other Expenses	5,620.20	364.82		5,985.02	5,672.49	312.53
Economic Development Office						
Salaries and Wages		3,418.04		3,418.04	2,524.72	893.32
Other Expenses	431.70	4,255.20		4,686.90	3,073.46	1,613.44
Visitor's Center		6,820.28		6,820.28		6,820.28
Tourism	6,155.47	42,589.87		48,745.34	26,329.89	22,415.45
Labor Council						
Salaries and Wages		693.48		693.48	693.48	
Other Expenses		400.25		400.25		400.25
Special Counsel	18,628.03	109,183.60		127,811.63	21,928.03	105,883.60
Farmland/Open Space	96.57	21,535.49		21,632.06	1,460.59	20,171.47
<u>Land Use Administration</u>						
County Planning Board (R.S. 40:27-3)						
Salaries and Wages		1,649.60		1,649.60	1,649.60	
Other Expenses	7,784.44	52,160.03		59,944.47	13,166.24	46,778.23
<u>Code Enforcement and Administration</u>						
Weights and Measures						
Salaries and Wages		17,218.37		17,218.37	4,993.13	12,225.24
Other Expenses	508.04	950.59		1,458.63	321.45	1,137.18

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of 2006 Appropriation Reserves
For the Year Ended December 31, 2007

	<u>Balance Dec. 31, 2006</u>			<u>Balance</u>	<u>Paid</u>	<u>Balanced</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Transfers</u>	<u>After</u> <u>Transfers</u>	<u>or</u> <u>Charged</u>	<u>Lapsed</u>
<u>Insurance</u>						
Workmen's Compensation		\$ 5,348.21		\$ 5,348.21		\$ 5,348.21
Other Insurance Premiums		54,466.64		54,466.64	\$ 7,736.16	46,730.48
Self-Insurance AL/GL		3,482.10		3,482.10	3,482.10	
Group Insurance Dental		12,479.90		12,479.90		12,479.90
Group Insurance Hospitalization		24,750.69	\$ 25,000.00	49,750.69	48,758.18	992.51
Contribution to:						
State Disability Insurance		37,554.54		37,554.54		37,554.54
<u>Public Safety</u>						
Safety	\$ 40.20	11,377.80		11,418.00	40.20	11,377.80
"9-1-1"						
Salaries and Wages		66,878.00		66,878.00	28,959.73	37,918.27
Other Expenses	943.16	15,587.17		16,530.33	1,339.16	15,191.17
Department of Emergency Services						
Salaries and Wages		43,480.07		43,480.07	7,462.58	36,017.49
Other Expenses:						
Fire School	11,717.04	1,208.74		12,925.78	12,247.91	677.87
Operations and Training		6,027.90		6,027.90		6,027.90
Miscellaneous Other Expenses	1,200.00	5,195.11		6,395.11	2,597.41	3,797.70
Aid to Volunteer Rescue and Ambulance Squads (R.S. 40-5-2)		1,750.00		1,750.00		1,750.00
Fire Marshall						
Other Expenses	1,453.00	87.24		1,540.24	1,453.00	87.24
Sheriff's Office						
Salaries and Wages	60,000.00	41,912.10		101,912.10	25,270.91	76,641.19
Other Expenses	12,011.12	16,967.98		28,979.10	12,194.47	16,784.63
Jail						
Salaries and Wages	185,000.00	172,602.77	510,000.00	867,602.77	867,602.77	
Other Expenses	330,734.39	38,925.40		369,659.79	302,635.73	67,024.06
Bail Forfeitures		10,000.00		10,000.00		10,000.00
Juvenile and Domestic Relations Court						
Other Expenses	42,847.00	281,206.36		324,053.36	88,805.99	235,247.37
Alternative Youth Shelter						
Other Expenses:						
Contractual- Ranch Hope		0.50		0.50		0.50
Prosecutor's Office						
Salaries and Wages		205,020.72	(130,000.00)	75,020.72	14,652.74	60,367.98
Other Expenses	33,839.63	12,232.96		46,072.59	34,418.39	11,654.20
County Medical Examiner						
Other Expenses:						
Miscellaneous		906.00		906.00		906.00
<u>Public Works Functions</u>						
Street and Road Maintenance						
Roads and Bridges						
Salaries and Wages		69,877.63	(40,000.00)	29,877.63	25,508.92	4,368.71
Other Expenses	439,889.36	42,943.70		482,833.06	395,723.92	87,109.14
Facilities Management						
Salaries and Wages		46,513.53	(20,000.00)	26,513.53	21,239.87	5,273.66
Other Expenses	119,450.51	31,993.70		151,444.21	139,004.04	12,440.17
Mosquito Extermination Commission		95,000.00		95,000.00		95,000.00
Railroad	41,396.30	192,348.41		233,744.71	24,841.41	208,903.30
Vehicle Maintenance	48,521.90	104,084.87		152,606.77	46,261.63	106,345.14
<u>Health and Human Services</u>						
Youth Service Commission						
Peer Grouping	8,571.60			8,571.60	8,571.60	
War Veterans Burial And Grave Decorations						
Salaries and Wages		723.02		723.02	157.62	565.40
Other Expenses	1,740.37	5,726.87		7,467.24	2,028.92	5,438.32
HIV Case Management		278.34		278.34		278.34
Office on the Disabled						
Salaries and Wages		10,056.62		10,056.62	1,862.46	8,194.16
Other Expenses	1,845.00	6,063.75		7,908.75	1,922.00	5,986.75
Peer Grouping		9,672.00		9,672.00		9,672.00
Salem Area Office on Aging	1,534.72	1,584.60		3,119.32	2,868.32	251.00
Office on Aging Medical Transportation	32,700.00	381.64		33,081.64	33,081.64	

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of 2006 Appropriation Reserves
For the Year Ended December 31, 2007

	<u>Balance Dec. 31, 2006</u>			<u>Balance</u>	<u>Paid</u>	<u>Balanced</u>
	<u>Encumbered</u>	<u>Reserved</u>	<u>Transfers</u>	<u>After</u>	<u>or</u>	<u>Lapsed</u>
				<u>Transfers</u>	<u>Charged</u>	
<u>Health and Human Services (Cont'd)</u>						
JACC / CAP Review	\$ 31,842.72	\$ 1,381.56		\$ 33,224.28	\$ 33,224.28	
Tubercular Sanitarium						
Outpatient Clinic Service						
Other Expenses	1,146.01	5,348.86		6,494.87	343.46	\$ 6,151.41
Inpatient Services						
Other Expenses		720.00		720.00		720.00
Public Health Emergency		7,003.00		7,003.00		7,003.00
Salem County Home						
Salaries and Wages		369,465.24	\$ (250,000.00)	119,465.24	113,537.43	5,927.81
Other Expenses:						
Miscellaneous	169,638.57	33,821.56	50,000.00	253,460.13	232,664.37	20,795.76
County Health Service - Interlocal Agreement						
(40:8A-1 et seq)						
Salaries and Wages		86,895.01		86,895.01	(24,943.08)	111,838.09
Other Expenses:						
Nursing Services	21,188.24	23,872.51		45,060.75	21,475.62	23,585.13
Administration	52,027.63	34,427.15		86,454.78	37,788.51	48,666.27
Environmental	1,146.50	2,106.43		3,252.93	923.00	2,329.93
Cumberland County - Priority Health Funding						
Salaries and Wages		58.00		58.00		58.00
Commission on Women						
Other Expenses	250.00	2,363.00		2,613.00		2,613.00
Mental Health Board (R.S. 30:9A-3)						
Other Expenses		140.69		140.69	17.00	123.69
<u>Parks and Recreation</u>						
Parks and Playgrounds						
Other Expenses	3,902.00	261.00		4,163.00	3,913.97	249.03
<u>Educational</u>						
Educational Programs for Employees						
Salaries and Wages		162.42		162.42	162.32	0.10
Other Expenses		100.00		100.00		100.00
Reimbursements for Residents Attending Out-of-						
County Two Year Colleges (N.J.S. 18A:64A-23)		101,469.20		101,469.20	2,409.90	99,059.30
County Extension Service - Farm and Home						
Demonstrations						
Salaries and Wages		33,220.74	(20,000.00)	13,220.74	3,786.88	9,433.86
Other Expenses	10,222.70	5,097.87		15,320.57	10,868.81	4,451.76
Office of County Superintendent of Schools						
Salaries and Wages		5,588.61		5,588.61	355.58	5,233.03
Other Expenses	503.95	612.46		1,116.41	1,101.46	14.95
Veterans' Service Bureau						
Salaries and Wages		838.50		838.50	825.45	13.05
Other Expenses		365.69		365.69	281.78	83.91
Accumulated Leave Compensation		90,753.42		90,753.42	19,867.47	70,885.95
Community Bus Service						
Salaries and Wages		69,931.62	(41,000.00)	28,931.62	12,761.30	16,170.32
Other Expenses	2,577.11	28,584.12		31,161.23	11,728.05	19,433.18
Utilities	57,143.73	349,486.47		406,630.20	362,578.87	44,051.33
Cultural and Heritage Commission						
Other Expenses	3,386.40	3,141.51		6,527.91	2,051.84	4,476.07
<u>State and Federal Programs Off-set by Revenues:</u>						
New Jersey Department of Human Services						
County Mental Health Administrator		2,686.40	125.00	2,811.40	2,803.94	7.46
Matching Funds for Grants		107,720.51		107,720.51		107,720.51
<u>Capital Improvement</u>						
Reconstruction of Various County Roads	600,158.13	832.04		600,990.17	299,417.97	301,572.20
Alterations and Improvements to County Buildings	175,875.75			175,875.75	175,875.75	
ADA Compliance - County Buildings	14,800.00	200.00		15,000.00	14,800.00	200.00
Information Technology - Purchase of Equipment	25,082.98	16,537.13		41,620.11	24,116.99	17,503.12
Old Court House Restoration Project	161,750.00	25,250.00		187,000.00	187,000.00	
<u>Statutory Expenditures:</u>						
Contribution to:						
Public Employees Retirement System		16,472.61		16,472.61		16,472.61
Police and Fireman's Retirement System		10,912.72		10,912.72		10,912.72
Social Security System (O.A.S.I.)		142,109.16	(26,275.00)	115,834.16		115,834.16
<u>Judgements</u>		400,000.00		400,000.00		400,000.00
TOTAL	\$ 2,837,859.44	\$ 4,244,009.81		\$ 7,081,869.25	\$ 4,010,287.32	\$ 3,071,581.93

COUNTY OF SALEM
CURRENT FUND
Statement of Reserved for Encumbrances
For the Year Ended December 31, 2007

	Current Fund	Grant Fund
Balance December 31, 2006	\$ 2,837,859.44	\$ 2,614,132.11
Increased by:		
Transferred from:		
2007 Budget Appropriations	3,033,128.43	
Federal and State Grants Appropriated		7,997,604.16
	5,870,987.87	10,611,736.27
Decreased by:		
Prior Year Encumbrances Reappropriated to:		
2006 Appropriation Reserves	2,837,859.44	
Federal and State Grants Appropriated		2,614,132.11
Balance December 31, 2007	<u>\$ 3,033,128.43</u>	<u>\$ 7,997,604.16</u>

COUNTY OF SALEM
CURRENT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2007

	Balance Dec. 31, 2006	Anticipated as Revenue in 2007 Budget	Received	Adjustments/ Canceled	Balance Dec. 31, 2007
Federal Grants:					
Salem County Area Plan Grant	\$ 338,728.70	\$ 879,103.00	\$ 859,014.00		\$ 370,609.70
Public Health Preparedness and Response to Bioterrorism	1,400,744.00		561,876.45		1,434,087.55
Public Health Preparedness and Response to Bioterrorism - Pandemic Flu	36,901.00		36,901.00		-
Job Training Partnership Act	147,925.91				147,925.91
Welfare to Work	43,531.24				43,531.24
Multijurisdictional Narcotics Task Force Grant	262,020.00		87,340.00		174,680.00
Division of Criminal Justice - Victim/Witness-Victims of Crime Act #V-17-03	50,454.00		38,307.00	\$ 12,147.00	16,653.00
Victims of Crime Act - Victim Assistance Grant Program	173,972.00		157,319.00		-
State of New Jersey - Department of Military and Veterans Affairs -					
Veterans Transportation Program					
South Jersey Transportation Authority and the South Jersey Transportation	8,677.00	13,000.00	13,009.00		8,668.00
Planning/Organization					
Salem - Hancock's Bridge Road Scoping Project	23,000.00				23,000.00
US Department of Agriculture - Rural Development	7,100.00				7,100.00
USDA Rural Development - Rural Business Enterprises Grant	99,000.00				99,000.00
Cancer Detection	338,807.00				338,807.00
WIA Youth	144,037.56	1,575.00	156,972.56		126,173.00
WIA Adult	246,040.03	986.00	191,263.11		193,353.92
WIA Dislocated Worker Program	153,882.61		152,356.42		139,508.19
WIA - TANF	22,150.00				22,150.00
SJTPO - Guided Rail Replacement Project	162,757.40		789,492.14		162,757.40
Resurfacing of Auburn Road - Pilesgrove Twp.	797,000.00				7,507.86
Small Cities Block Grant	88,955.00				88,955.00
Small Cities Block Grant - Salem Courthouse Renovation Grant					400,000.00
State Homeland Security Grant Program			341,559.68		493,630.10
State Homeland Security Grant Program Code Orange Funds	481,077.38				27,325.00
Stormwater Regulation	2,500.00		2,500.00		-
Kings Highway, County Road #620, Phase IV-B in Mannington Twp.	432,450.00		150,000.00		282,450.00
Salem Hancock's Bridge Road, County Road #658	152,235.47				152,235.47
New Jersey DOT - Repairing of the Oldmans Creek Trestle	188,295.00				188,295.00
New Jersey DOT - Pennsville-Auburn Road Resurfacing, County Road #551	456,800.00				456,800.00
New Jersey DOT - Pennsville-Auburn Road, County Road #551, Phase II					780,000.00
New Jersey DOT - Pecks Corner-Cohansey Rd. Resurfacing, County Rd #540	509,000.00				509,000.00
SJTPO - Salem County Roadway Striping Program					542,150.00
SJTPO - Salem County Safety Projects in Pennsville Township and					
Upper Pittsgrove Township					136,918.00
Sobriety Checkpoint and Saturation Patrol Project Grant	4,385.66				4,385.66
Subregional Transportation Planning Program	28,109.91				28,109.91
Total Federal Grants	6,800,536.87	881,664.00	3,537,910.36	12,147.00	7,405,766.91
State Grants:					
State Aid - Alcoholic Treatment Program	11,142.00				11,142.00
#00-517-ADA-00	25,051.00				25,051.00
#01-550-ADA-00					

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2007

	Balance Dec. 31, 2006	Anticipated as Revenue in 2007		Received	Adjustments/ Canceled	Balance Dec. 31, 2007
		Budget	By 40A-4-87			
State Grants (Cont'd):						
State Aid - Alcoholic Treatment Program (Cont'd)						
#02-539-ADA-00	\$ 13,046.00					\$ 13,046.00
#03-539-ADA-00	16,581.00					16,581.00
#04-580-ADA-00	575.00					575.00
#05-580-ADA-00	8,522.00					8,522.00
#06-539-ADA-00	124,003.00			\$ 118,492.00		5,511.00
#07-539-ADA-00		\$ 247,240.00		173,308.00		73,932.00
New Jersey Department of Health						
#96-259-SCH	9,734.00					9,734.00
#97-136-SCH	453.00					453.00
#98-170-SCH	488.44					488.44
New Jersey Department of Health - Right to Know Project	7,045.00	8,786.00		10,982.50		4,848.50
New Jersey Department of Transportation						
1983 Bridge Bond Act - Chestnut Street Bridge #704	12,367.48					12,367.48
Reconstruction of Pennsville - Auburn Road						
Phase I	20,965.11					20,965.11
Phase II	105,295.59					105,295.59
School Based Youth Services Program	4,605.77					4,605.77
New Jersey Department of Transportation - Fiscal Year 1988 - Federal						
New Jersey Department of Transportation - Reconstruction of						
Aid Urban System - Substitution Program - Reconstruction of						
Quinton - Elmer Road	1,118.42					1,118.42
New Jersey Department of Transportation						
Reconstruction of Quinton - Alloway Road	3,688.34					3,688.34
New Jersey Department of Transportation - Road Program	131,667.70					131,667.70
County Environmental Health Act (CEHA)	147,373.75					191,570.92
N.J. Department of Transportation - Reconstruction of the		124,016.00	\$ 41,881.00	121,699.83		
Alloway Shirley Road (Quinton-Elmer Road)	73,963.67					73,963.67
N.J. Department of Transportation -						
Capital Transportation Program Fiscal Year 1994-1997	149,909.19					149,909.19
Senior Citizen and Disabled Residents Transportation Assistance Act	490,432.52	593,810.00		471,876.30		612,386.22
FTA Small Urban & Rural Area Public Transportation	145,422.00					145,422.00
Alliance to Prevent Alcoholism & Drug Abuse	121,845.56	137,783.00		145,272.62		114,355.94
N.J. Transportation Trust Fund Authority Act						
Reconstruction of Quinton - Elmer Road Section III	50,000.00					50,000.00
N.J. Department of Transportation						
Salem County Airport Feasibility Study	38,218.50					38,218.50
South Jersey Transportation Authority/South Jersey						
Transportation Planning Organization (Kelly's Saw Mill)	45,362.94					45,362.94
SJTPO - Reconstruction of Kelly's Saw Mill Bridge	131,581.28					131,581.28
Recreational Opportunities for Individuals with Disabilities	2,500.98		3,420.00	1,197.00		4,723.98
1996 Recreation Opportunities for Individuals with						
Disabilities GA#96-0173-00 (Reserve for 1997)	875.00					875.00

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2007

	Balance Dec. 31, 2006	Anticipated as Revenue in 2007 Budget	Received	Adjustments/ Canceled	Balance Dec. 31, 2007
State Grants (Cont'd):					
N.J. Department of Health and Senior Services					
Early Intervention Program 00-265-EIP-00	\$ 36,554.00				\$ 36,554.00
Early Intervention Program 02-253-EIP-00	24,270.00				24,270.00
Early Intervention Program 03-161-EIP-00	17,900.00				17,900.00
Early Intervention Program 04-151-EIP-00	7,433.00				7,433.00
Early Intervention Program 05-161-EIP-00	20,709.00				20,709.00
Early Intervention Program 06-161-EIP-00	106,182.00		\$ 106,152.00		30.00
EIP COLA Funds	9,983.00				9,983.00
Early Intervention Program and Case Management		\$ 126,500.00			126,500.00
EIP Additional		\$ 1,500.00			1,500.00
DMHD - Mental Health Board-Mental Health Disaster & Crisis Counsel	8,071.69				2,071.69
New Jersey Department of Human Services - Family Court	1,766.38	99,378.00	1,766.38	\$ (5,000.00)	99,378.00
Juvenile Justice Commission	51,036.00	199,288.00	129,671.13		120,652.87
Juvenile Assistance Grant Program - Megan's Law	11,294.00		11,294.00		-
Justice Assistance Grant (JAG)		87,340.00			87,340.00
Inter Agency	1.00		1.00		-
State of New Jersey Division of Alcoholism,					
Drug Abuse and Addiction Services	10,718.00				10,718.00
Partnerships for the Delaware Estuary, Inc.	1,050.00				1,050.00
JAIBG Funds Youth Services	1,243.50	9,488.00			10,731.50
Division of Highway Traffic Safety -					
Vehicular Homicide/Serious Injury Unit	142,889.13				142,889.13
Division of Highway Traffic Safety - Salem Comprehensive Child Passenger					
Safety Program	17,919.01	27,144.00	15,899.61		29,163.40
County Mental Health Planning Development & Admin	0.00	12,000.00	16,414.91	6,000.00	1,585.09
Prosecutors Insurance Fraud Reimbursement Program	58,157.05	148,380.00	134,292.20		72,244.85
Local Arts Program	80,540.00	54,525.00	117,078.00		17,987.00
Local Arts Initiative	16,500.00	22,000.00	38,280.00		220.00
1994 and 1995 County Aid CTP-Reconstruction					
of Aldine-Shirley Rd., County Road #611, Phase 4	696,000.00				696,000.00
Tobacco Control, Prevention, Treatment Education Services	30,895.00				30,895.00
Watershed Project	46,460.00				46,460.00
LINCS Preparedness	226.74				226.74
Body Armor Fund (Sheriff)		13,057.12	13,057.12		
Body Armor Fund (Prosecutor)		1,616.19	1,616.19		
Sobriety Checkpoint and DWI Education	19,120.00				19,120.00
COPS in Shops		6,000.00	656.44		5,343.56
Medical Reserve Support		10,000.00			10,000.00
Project Lifesaver		82,150.00	16,430.00		65,720.00
NJ Transportation Trust Fund Authority -					
2007 County Aid Improvement Program		1,818,000.00	1,818,000.00		-
02 Local History	4,000.00				4,000.00
Emergency Housing Repair Fund	4,995.00				4,995.00
Oldmans Township Economic Development Project	548,550.61				548,550.61
NJ State Police 911 Coordinator	2,272.73				2,272.73
SART/SANE	87,516.53				87,516.53
Cancer Education/Early Detection	152,926.00	132,764.00	74,176.00		211,514.00

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Federal and State Grants Receivable
For the Year Ended December 31, 2007

	Balance	Anticipated as Revenue in 2007		Received	Adjustments/ Canceled	Balance
	Dec. 31, 2006	Budget	By 40A, 4-87			Dec. 31, 2007
State Grants (Cont'd):						
Health and Senior Services - Cancer Detection (COLA)						
FY 2000 TANF	\$ 7.00					\$ 7.00
FY 2001 TANF	6,469.65					6,469.65
FY 2003 TANF	38,634.75					38,634.75
Program Year 2003 TANF	23,885.31			\$ 21,874.19		2,011.12
Work First New Jersey TANF	39,882.00			39,882.00		
Workforce Development Partnership Program - TANF - Smart Steps	247,247.48			156,746.85		90,500.63
TANF - Work Verification	6,000.00	\$ 12,106.00		18,106.00		
Work First New Jersey - TANF Work Activities	-		\$ 2,831.00	2,831.00		
TANF - Case Management	-		390,198.00	94,553.32		295,644.68
Work First New Jersey Smart Steps	-		88,051.00	36,378.00		51,673.00
FY 2000 General Assistance	82,353.00			82,347.00		6.00
FY 2001 General Assistance	3,971.51					3,971.51
FY 2003 General Assistance	2,719.99					2,719.99
Program Year 2003 General Assistance	348.32			46.12		302.20
Work First New Jersey GAVFS	3,287.00			1,769.12		1,517.88
Work First New Jersey GAVFS - Work Activities	47,678.89			44,900.67		2,778.22
Work First New Jersey GAVFS - Case Management	-		71,124.00	2,260.41		68,863.59
FY 2000 ABAWD & Food Stamp	-		52,057.00	19,109.00		32,948.00
FY 2001 ABAWD & Food Stamp	3,963.21					3,963.21
Program Year 2003 ABAWD & Food Stamp	4,414.65			4,984.54		4,414.65
Work First New Jersey CAVP & EEI	6,345.00			10,075.42		1,360.46
Workfirst NJ	54,934.66	55,656.00	15,968.00	55,656.00		70,827.24
02 One Stop Literary Lab	629.06					629.06
Dept. of Law and Public Safety, Div. of State Police -						
Emergency Services - RERP	165,118.01		110,080.00	17,624.94		257,573.07
E - Public Health 1/01-6/01 - LINC'S IT Development	398.00					398.00
LINC'S IT Development	1,083.00					1,083.00
Diversity Partner Coalition OP-03-45-0203	13,594.83					13,594.83
Resurfacing of Churchtown Rd. - Pennsville Twp.	118,769.00					118,769.00
Dept. of Law and Public Safety, Div. of State Police -						
Emergency Services - (2) Decontamination Trailers	10.00					10.00
TASE - Tobacco Age-of-Sale Enforcement Program	21,960.00		11,880.00	2,280.00		31,560.00
State Homeland Security Grant Program - Explosive						
Detecting Canine Initiative	(1.00)					(1.00)
Resurfacing South Broad Street - Penns Grove Boro	246,952.00					246,952.00
Resurfacing of Fort Mott Road - Pennsville Twp.	377,349.00			200,774.04		176,574.96
SJTPO - Almond Road Scoping Study	155,121.94					155,121.94
County Aid Balance FY87 & FY91	113,690.24					113,690.24
Smart Future Program	40,000.00			40,000.00		
Salem County Railroad Realignment & Reconstruction	100,650.00					100,650.00
Attorney Identification Program	11,000.00			11,000.00		
County Jail Statewide Photo Capture System	22,036.51					22,036.51
Workforce Development Partnership Program	15,856.98		7,767.00	2,298.92		21,325.06
PASP - Personal Attendant Services	0.16	112,496.00	17,377.00	112,496.02		17,377.14
Old Court House Project - SJEDD	198,000.00					198,000.00

(Continued)

COUNTY OF SALEM
CURRENT FUND
 Statement of Federal and State Grants Receivable
 For the Year Ended December 31, 2007

	Balance	Anticipated as Revenue in 2007		Received	Adjustments/ Canceled	Balance
	Dec. 31, 2006	Budget	By 40A:4-87			Dec. 31, 2007
State Grants (Cont'd):						
Safe Roadways Project Grant	\$ 70,000.00			\$ 65,600.69		\$ 4,399.31
Public Archives & Records Infrastructure Support (PARIS) Grant	1,167,856.00		\$ 891,070.00	708,379.00		1,350,547.00
Railroad Improvement Project	2,089,409.97					2,089,409.97
Salem County Railroad Improvements Phase 2	1,701,875.00					1,701,875.00
Comprehensive Cancer Control Plan	80,501.00		65,000.00	59,015.00		86,486.00
Title V Delinquency Prevention	174,918.00			154,082.00		20,836.00
Enhanced 911 - General Assistance and Equipment Grant	-		60,000.00	60,000.00		-
CHLP Grant Seminar	-	\$ 7,500.00		4,473.44		3,026.56
NJ Sex Offender Internet Registry	-	4,740.00		4,740.00		-
NJ Build	-	380.00				380.00
Office of Emergency Telecommunications Systems	-	60,000.00		60,000.00		-
MICA Training	-		1,475.00	1,475.00		-
County Disaster Liaison	-		2,500.00	2,500.00		-
Senior Farmers' Market Nutrition Program	-		1,000.00	1,000.00		-
Historical Commission Grant	-		18,000.00			-
Farmland Preservation Program	-		8,181,578.46	8,181,578.46		18,000.00
Special Child and Adult Health Services	3.00					3.00
Total State Grants	11,579,916.73	1,913,745.31	12,335,155.46	13,818,450.38	-	12,010,367.12
Total	\$ 18,380,453.60	\$ 2,795,409.31	\$ 15,608,778.86	\$ 17,356,360.74	\$ 12,147.00	\$ 19,416,134.03
Budgeted Revenue Per Exhibit A-2						
Cash Received		\$ 2,795,409.31	\$ 15,608,778.86	\$ 17,343,303.62		
Prior Year Unappropriated Grants Realized as Revenue				13,057.12		
		\$ 2,795,409.31	\$ 15,608,778.86	\$ 17,356,360.74		
Note:						
Anticipated Revenue as Originally Adopted		\$ 2,795,409.31				
Matching Portion as Originally Adopted		145,215.00				
As Originally Budgeted--Exhibit SA-8		\$ 2,940,624.31				

COUNTY OF SALEM
CURRENT FUND
Statement of Reserves for Federal and State Grant Funds--Unappropriated
For the Year Ended December 31, 2007

<u>Grant</u>	<u>Balance</u> <u>Dec. 31, 2006</u>	<u>Collected</u>	<u>Anticipated</u> <u>as Revenue</u> <u>in Budget</u>	<u>Balance</u> <u>Dec. 31, 2007</u>
Reserve - Senior Citizen and Disabled Resident				
Transportation Program - Additional Funds	\$ 9,864.40			\$ 9,864.40
Body Armor Fund (Sheriff)	-	\$ 16,059.40		16,059.40
K-9 Unit Program	-	45,000.00		45,000.00
Farmland Preservation Program		311,383.86		311,383.86
Subregional Transportation Planning Program - 7/1/06-6/30/07		5,269.46		5,269.46
Subregional Transportation Planning Program - FY 2006	32,639.40			32,639.40
2006 Body Armor Grant	13,057.12		\$ 13,057.12	-
	<u>\$ 55,560.92</u>	<u>\$ 377,712.72</u>	<u>\$ 13,057.12</u>	<u>\$ 420,216.52</u>

COUNTY OF SALEM
CURRENT FUND
Statement of Reserves for Federal and State Grant Funds--Appropriated
For the Year Ended December 31, 2007

	Balance Dec. 31, 2006	2007 Appropriations Budget	By 40A:4-87	Prior Year Encumbrances Reclassified	Paid or Charged	Canceled	Balance Dec. 31, 2007
Federal Grants:							
Salem County Area Plan Grant	\$ 166,878.85	\$ 879,103.00	\$ 11,792.00	\$ 158,947.25	\$ 1,019,837.16		\$ 196,883.94
Public Health Preparedness and Response for Bioterrorism	1,048,175.30		595,220.00	47,449.58	586,041.33		1,104,803.55
Job Training Partnership Act	276,956.60				-		276,956.60
Welfare to Work	101,845.19				-		101,845.19
Multijurisdictional Narcotics Task Force							
Grant #DE 2-18-05	137,721.77			87,340.00	87,340.00		137,721.77
Grant #DE 2-18-06	34,177.22			87,340.00	117,649.63		3,887.59
Division of Criminal Justice - Victim/Witness							
Victims of Crime Act #V-17-01	63,905.02				-		63,905.02
Victims of Crime Act #V-23-01	128,621.95				-		128,621.95
Victims of Crime Act #V-17-03	78,030.59				-		78,030.59
Victims of Crime Act	127,745.20				-	\$ 15,175.00	112,570.20
Victims of Crime Act - Victim Assistance Grant Program	177,787.33				85,636.70		92,150.63
State of New Jersey - Department of Military and Veterans Transportation Program	7,688.00		13,000.00	1,080.00	13,000.00		8,768.00
Salem - Hancock's Bridge Road Scooping Project	58,157.90				-		58,157.90
Cancer Detection	284,769.84				-		284,769.84
WIA Youth	131,825.43	1,575.00	137,533.00	86,232.05	198,211.30		158,954.18
WIA Adult	243,074.05	986.00	137,591.00	31,662.71	225,927.07		187,386.69
WIA Dislocated Worker	177,450.94		137,982.00	22,243.17	187,726.87		149,949.24
WIA - TANF	13,427.00				-		13,427.00
USDA Rural Development - Railroad Improvements	5,609.08			24,177.92	24,177.92		5,609.08
USDA Rural Development - Rural Business Enterprises Grant	99,000.00				-		99,000.00
NJDCA - Guiderail Replacement Project	162,757.40				-		162,757.40
Subregional Transportation Planning Program	23,650.00		542,150.00		-		23,650.00
SJTPO - Salem County Roadway Striping Program			780,000.00		-		542,150.00
SJTPO - Pennsville-Auburn Road, County Road #551, Phase II					-		780,000.00
SJTPO - Salem County Safety Projects in Pennsville Township and Upper Pittsgrove Township			136,918.00		-		136,918.00
Small Cities Block Grant	106,751.76				-		106,751.76
Small Cities Block Grant - Salem Court House Renovation			400,000.00		-		400,000.00
Resurfacing of Auburn Rd-Pilesgrove Township				40,447.70	40,447.70		
State Homeland Security Grant Program	286,645.29		354,112.40	133,240.79	592,786.06		181,212.42
State Homeland Security Grant Program - Code Orange Funds			27,325.00		26,550.00		775.00
Stormwater Regulation	2,821.54				2,078.51		743.03
Kings Highway, County Road #620, Phase IV-B, Mannington Twp.	86,360.44			12,421.43	12,421.43		86,360.44
FEIMA - Emergency Management Grant	6,126.89				-		6,126.89
New Jersey DOT - Repairing of the Oldmans Creek Trestle	20,950.00			24,064.10	24,064.10		20,950.00
New Jersey DOT - Pennsville Auburn Road Resurfacing.							
County Road #551	456,800.00				369,143.37		87,656.63
New Jersey DOT - Pecks Corner-Cohansey Road Resurfacing,							
County Road #540	509,000.00				361,599.53		147,400.47

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Reserves for Federal and State Grant Funds--Appropriated
For the Year Ended December 31, 2007

	Balance Dec. 31, 2006	2007 Appropriations Budget	Prior Year Encumbrances Reclassified	Paid or Charged	Canceled	Balance Dec. 31, 2007
Federal Grants (Cont'd):						
Sobriety Checkpoint and Saturation Patrol Project Grant Salem Hancock's Bridge Road, County Road #658	\$ 3,326.06 161,390.00			\$ 400.00		\$ 2,926.06 161,390.00
Total Federal Grants	5,189,426.64	\$ 881,664.00	\$ 3,273,623.40	\$ 3,975,038.68	\$ 15,175.00	6,111,147.06
State Grants:						
Alcoholic Treatment Program:						
#00-582-ADA-00 - state share	14,707.15			-		14,707.15
#01-550-ADA-00	25,050.64			-		25,050.64
#02-539-ADA-00	13,495.59			-		13,495.59
#03-539-ADA-00	16,560.73			-		16,560.73
#04-539-ADA-00	574.63			-		574.63
#05-539-ADA-00	8,128.56			-		8,128.56
#06-539-ADA-00	1,875.14			-		1,875.14
#07-539-ADA-00	-	267,385.00	31,692.42	28,057.85		5,509.71
Alliance to Prevent Alcoholism & Drug Abuse	17,704.42	137,793.00	71,182.67	267,370.83		14.17
New Jersey Department of Public Health - Right to Know Project	3,960.91	8,786.00		216,849.10		9,820.99
Reconstruction of Pennsville - Auburn Road - Phase I	10,634.57			8,575.50		4,171.41
Phase II	40,460.48			-		10,634.57
N.J. Department of Transportation - Bureau of Local Aid - Bridge Rehabilitation & Improvement Fund - Kings Highway Bridge #479	56,397.42			-		40,460.48
Reserve for Local Bridge Fund	5,662.09		72,903.08	78,565.17		56,397.42
Senior Citizen and Disabled Residents Transportation Assistance Act	206,588.53					
FTA Small Urban & Rural Area Public Transportation Reserve for Additional 2001 Sr. Citizen Funds	200,414.00	593,810.00	141,176.54	573,441.61		368,133.46
School Based Youth Services Program	4,064.80			-		200,414.00
WDP Staff & Fringe	921.92			-		4,064.80
Division of Criminal Justice - Victim and Witness Advocacy Fund FY01	2,019.48			828.92		921.92
Local Law Enforcement Block Grant Program	652.00			-		1,190.56
Healthy Heart Cholesterol Screening Contract	13,115.49			-		652.00
County Mental Health Board Planning, Development and Administration	-		12,000.00	6,262.45		13,115.49
DWHD - Mental Health Board	842.35			-		5,737.55
Mental Health Disaster & Crisis Counsel	-			-		842.35
New Jersey Department of Transportation - Reconstruction of the Alloway - Shirley Road	199,614.40			-		199,614.40
New Jersey Department of Transportation - Road Program Resurfacing Elm/South Main Street - Woodstown	131,667.70			-		131,667.70

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Reserves for Federal and State Grant Funds--Appropriated
For the Year Ended December 31, 2007

	Balance Dec. 31, 2006	2007 Appropriations Budget	By 40A-4-87	Prior Year Encumbrances Reclassified	Paid or Charged	Canceled	Balance Dec. 31, 2007
State Grants (Cont'd):							
SJTPO - Reconstruction of Kelly's Saw Mill Bridge	\$ 96,923.80			\$ 317.00	\$ 317.00		\$ 96,923.80
Salem County Airport Feasibility Study	37,970.00						37,970.00
N.J. Department of Environmental Protection							
County Environmental Health Act	149,094.96	\$ 248,032.00	\$ 41,881.00	22,722.75	293,044.43		168,686.28
Job Opportunities and Basic Skills Training/Family Development Program	100,543.65						100,543.65
Kelly's Saw Mill Bridge Scooping Project	46,539.02						46,539.02
New Jersey Department of Human Services - Family Court Vehicular Homicide/Serious Injury Unit	161,284.32	99,378.00			99,378.00		161,284.32
Division of Highway Traffic Safety - Salem Comprehensive Child Passenger Safety Program	29,750.00		27,144.00	89.50	18,627.31		38,266.69
County Mental Health Planning Development & Admin	626.68				716.18		
New Jersey State Council on the Arts Block Grant	1,012.00						1,012.00
Local Arts Program	54,120.86	54,525.00		17,075.00	55,944.75		69,776.11
Local Arts Initiative Grant	12,100.00	22,000.00			21,100.00		13,000.00
Juvenile Justice Commission	5,883.49	199,288.00		150.00	204,177.64		1,143.85
Juvenile Assistance Grant Program - Megan's Law	10,707.46		174,680.00		9,253.61		1,453.85
Justice Assistance Grant (JAG)			3,420.00		71,966.97		102,713.03
Recreational Opportunities for Individuals with Disabilities	4,511.25				4,510.25		3,421.00
State Planning Act of 1985 Cross - Acceptance II	27,076.10						27,076.10
State Aid Highway Projects:							
2007 County Aid Improvement Program		1,818,000.00			600,000.00		1,218,000.00
State Aid Highway Projects:							
2006 County Aid Improvement Program	1,478,000.00				993,301.44		484,698.56
State Aid Highway Projects:							
2005 County Aid Improvement Program	739,000.00			111,120.94	850,120.94		
State Aid Highway Projects:							
2004 County Aid Improvement Program	739,000.00				739,000.00		
State Aid Highway Projects:							
2002 County Aid Improvement Program	1,478,000.00				1,478,000.00		
State Aid Highway Projects:							
2001 County Aid Improvement Program	1,431,670.00				1,431,670.00		
State Aid Highway Projects:							
2000 County Aid Improvement Program	1,088,122.25			19,139.98	1,107,262.23		
State Aid Highway Projects:							
County Aid Improvement Program - Prior Year Interest	2,881.69			5,513.40	8,395.09		
Early Intervention Program 00-265-EIP-00	15,235.05						15,235.05
Early Intervention Program 03-161-EIP-00	77,462.70						77,462.70

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Reserves for Federal and State Grant Funds--Appropriated
For the Year Ended December 31, 2007

	Balance Dec. 31, 2006	2007 Appropriations Budget	2007 Appropriations By 40A:4-87	Prior Year Encumbrances Reclassified	Paid or Charged	Canceled	Balance Dec. 31, 2007
State Grants (Cont'd):							
Early Intervention Program 05-161-EIP-00	\$ 20,746.39						\$ 20,746.39
Early Intervention Program 06-161-EIP-00	117,662.00						1,009.63
EIP Additional	-	\$ 1,500.00			116,652.37		1,500.00
Early Intervention Program and Case Management			\$ 137,980.00				82,480.24
Body Armor Fund (Sheriff)	2,755.93				55,499.76		
Body Armor Fund (Prosecutor)	90.71				18,751.80		36.27
Reserve for Terrorism Exercise	1,669.74			\$ 2,938.75	1,670.63		1,669.74
Partnership for the Delaware Estuary, Inc.	2,100.00				-		2,100.00
LINCS Preparedness	1,930.63				-		1,930.63
LINCS IT	1,480.64				-		1,480.64
1994 and 1995 County Aid CTP Reconstruction of Aldine-Shirley Rd. #611	250,000.00						250,000.00
JAIBG Funds - Youth Services		10,542.00			10,542.00		
Prosecutor Insurance Fraud Reimbursement	134,830.94	148,380.00			117,150.30		166,060.64
SART/SANE	98,820.30						98,820.30
NJ State Police - 911 Coordinator	16.47				14.60		1.87
OETS - Salem County 911 Coordinator	17,255.52			9,728.99	25,463.30		1,521.21
Oldmans Township Economic Development Project	558,284.72						558,284.72
Cancer Education/Early Detection	200,156.66						241,736.22
Health and Senior Services - Cancer Detection (COLA)	1,007.91		151,097.00	26,874.19	136,391.63		1,007.91
FY 2002/2003 TANF	97,900.84				46,411.15		51,489.69
Work First New Jersey TANF	259,565.43			64,078.59	227,251.39		96,392.63
Workforce Development Partnership Program - TANF							
Smart Steps	11,250.00	12,106.00			23,356.00		
TANF - Work Verification			2,831.00				2,831.00
Work First New Jersey - TANF Work Activities			390,198.00		94,553.32		295,644.68
TANF - Case Management			88,051.00		36,378.00		51,673.00
Work First New Jersey Smart Steps	77,103.00				77,097.00		6.00
FY 2002/2003 General Assistance	6,114.59				221.29		12,385.25
Work First New Jersey GA/FS	47,538.51			6,491.95			2,778.22
Work First New Jersey - GA/FS Work Activities			71,124.00	12,698.29	57,458.58		68,863.59
Work First New Jersey - GA/FS Case Management			52,057.00		2,260.41		32,948.00
FY 2002/2003 ABAWD & Food Stamp	6,412.62				19,109.00		6,412.62
Work First New Jersey CAVP & EEI	63,649.66						70,827.24
Workfirst NJ		55,656.00					
02 One Stop Literacy Lab	5,187.83		15,968.00	1,285.00	10,075.42		629.06
Special Child and Adult Health Services:					55,656.00		
Community Justice Grant					4,558.77		
New Jersey History	8,501.99						8,501.99
Reserve for New Jersey History	5,121.20						5,121.20
Right to Farm Activities Grant	4,000.00						4,000.00
Buried in New Jersey	14,527.15						14,527.15
Sobriety Checkpoint and DWI Education	76.00						76.00
COPS in Shops	19,120.00						19,120.00
Medical Reserve Support			6,000.00		656.44		5,343.56
Project Lifesaver			10,000.00				10,000.00
1999 Statewide Transportation and Local Bridge Fund			82,150.00		17,887.20		64,262.80
Tobacco Control, Prevention, Treatment Education	33,859.96			33,059.05	66,919.01		
	30,895.81						30,895.81

(Continued)

COUNTY OF SALEM
CURRENT FUND
Statement of Reserves for Federal and State Grant Funds--Appropriated
For the Year Ended December 31, 2007

	Balance Dec. 31, 2006	2007 Appropriations Budget	By 40A:4-87	Prior Year Encumbrances Reclassified	Paid or Charged	Canceled	Balance Dec. 31, 2007
State Grants (Cont'd):							
Watershed Project	\$ 58,981.33				\$ 12,521.33		\$ 46,460.00
Dept. of Law and Public Safety, Div. of State Police - Emergency Services - RERP	161,410.64				28,534.41		244,275.13
Diversity Partner Coalition OP-03-45-02-03	18,974.76			1,318.90	-		18,974.76
Resurfacing S. Broad St. - Penns Grove Boro	81,105.00		\$ 110,080.00		35,215.58		81,105.00
Resurfacing Fort Mott Rd. - Pennsville Twp	142,955.06			35,215.58	15,774.94		168,815.50
TRASE - Tobacco Age Sale Enforcement	23,816.98		11,880.00	41,635.38	6,418.97		32,338.01
Division of State Police - (2) Decontamination Trailers	10.00			3,080.00	-		10.00
State Homeland Security Grant Program - Explosive Detecting Canine Initiative	116.28				-		116.28
03 Comm Emergency Response Team	6.56				-		6.56
Emergency Services Grant	-			213.69	-		213.69
Attorney Identification Program	-			11,000.00	11,000.00		-
County Jail Statewide Photo Capture System	-			26,408.00	26,408.00		-
Salem County Railroad Realignment & Reconstruction	100,650.00			9,008.04	9,008.04		100,650.00
Workforce Development Partnership Program	2,712.60			6,053.50	3,858.85		12,674.25
PASP - Personal Attendant Services	53,600.93	\$ 112,496.00		1,871.70	79,382.69		105,962.94
PASP Supplemental Funding Grant	28.92			187.00	187.00		28.92
Safe Roadways Project Grant	69,925.51				65,050.69		4,874.82
Prosecutor Underage Drinking FY04 EUDL	6,234.30				6,234.30		-
Old Court House Project - SJEDD	9,750.00			188,250.00	188,250.00		9,750.00
Public Archives & Records Infrastructure Support (PARIS) Grant	654,826.68		891,070.00	554,475.38	981,887.15		1,128,484.91
Railroad Improvement Project	275,915.00			290,954.62	267,954.62		298,915.00
Salem County Railroad Improvements Phase 2	1,701,875.00			3,300.00	1,699,976.20		1,898.80
Comprehensive Cancer Control Plan	67,842.97		65,000.00		61,419.04		74,723.93
Title V Delinquency Prevention	47,875.00				47,875.00		-
Enhanced 911	218,204.47			24,295.53	242,500.00		-
Enhanced 911 General Assistance and Equipment Grant	-		60,000.00		-		60,000.00
CHLP Grant for Seminar	-	7,500.00			4,473.44		3,026.56
NJ Sex Offender Internet Registry	-	4,740.00			4,740.00		-
Office of Emergency Telecommunications Services (OETS)	-	60,000.00			53,549.53		6,450.47
NJ Build	-	380.00			-		380.00
MICA Training	-		1,475.00		1,475.00		-
County Disaster Liaison	-		2,500.00		-		2,500.00
Senior Farmers' Market Nutrition Program	-		1,000.00		1,000.00		-
Historical Commission Grant	-		18,000.00		-		18,000.00
Fairland Preservation Program	-		8,181,578.46		-		-
NJDCA - Handicapped Accessible Playground	-				8,181,578.46		-
	850.00				-		850.00
Total State Grants	14,559,929.42	2,058,960.31	12,452,308.46	1,857,485.41	22,424,995.88	-	8,503,687.72
Total	\$ 19,749,356.06	\$ 2,940,624.31	\$ 15,725,931.86	\$ 2,614,132.11	\$ 26,400,034.56	\$ 15,175.00	\$ 14,614,834.78
Total Budget--Original Budget in Addition to Increased by 40A:4-87			\$ 18,666,556.17				

(Continued)

COUNTY OF SALEM
CURRENT FUND

	Balance Dec. 31, 2006	<u>2007 Appropriations</u>	<u>Prior Year</u> <u>Encumbrances</u> <u>Reclassified</u>	<u>Paid or</u> <u>Charged</u>	<u>Canceled</u>	<u>Balance</u> <u>Dec. 31, 2007</u>
Budgeted in Current Funds		\$ 40A-4-87				
Less: Grants Budgeted in Current Fund		\$ 18,932,940.17				
Matching Funds For Grants		(300,000.00)				
New Jersey Department of Human Services - County Mental Health Board		(83,537.00)				
Add:		*				
Matching Funds For Grants - Charged as Detailed Below		117,153.00		\$ 7,997,604.16		
Encumbered				18,409,720.48		
Disbursements				(7,290.08)		
Refunds of Appropriations						
				<u>\$ 26,400,034.56</u>		
*Note: Matching Funds for Grants is detailed as follows:						
Cancer Education & Early Detection		\$ 18,333.00				
Early Intervention Program and Case Management		11,480.00				
Justice Assistance Grant		87,340.00				
		<u>\$ 117,153.00</u>				

*Note: Matching Funds for Grants is detailed as follows:
Cancer Education & Early Detection
Early Intervention Program and Case Management
Justice Assistance Grant

SUPPLEMENTAL EXHIBITS

TRUST FUND

COUNTY OF SALEM
TRUST FUND
Statement of Trust Cash
Per N.J.S.40A:5-5--Treasurer
For the Year Ended December 31, 2007

Balance December 31, 2006			\$	9,408,781.97
Increased by Receipts:				
Mortgage Accounts Receivable	\$	61,522.04		
Due Current Fund		79,407.50		
Reserve for Trust Funds		38,875,072.99		
				<u>39,016,002.53</u>
				48,424,784.50
Decreased by Disbursements:				
Mortgage Accounts Receivable		52,000.00		
Due Current Fund		82,177.80		
Reserve for Trust Funds		37,670,389.59		
				<u>37,804,567.39</u>
Balance December 31, 2007			\$	<u>10,620,217.11</u>

COUNTY OF SALEM
TRUST FUND
Statement of Mortgage Receivables
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 92,032.36
Increased by:	
New Loan	52,000.00
	<u>144,032.36</u>
Decreased by:	
Receipts	61,522.04
	<u>82,510.32</u>
Balance December 31, 2007	<u>\$ 82,510.32</u>

Exhibit SB-3

TRUST FUND
Statement of Due To/(From) Current Fund
For Year Ended December 31, 2007

Balance December 31, 2006 - Due To/(From)	\$ 2,748.52
Increased by:	
Excess Deposited in Agency Account	\$ 171.24
Interest Earned	79,236.26
	<u>79,407.50</u>
	82,156.02
Decreased by:	
Payments	82,177.80
	<u>82,177.80</u>
Balance December 31, 2007 - Due To/(From)	<u>\$ (21.78)</u>
<u>Analysis of Balance</u>	
Net Payroll	(193.02)
Payroll Agency	171.24
	<u>\$ (21.78)</u>

COUNTY OF SALEM
TRUST FUND
Statement of Reserve for Trust Funds
For the Year Ended December 31, 2007

	Balance (Deficit) Dec. 31, 2006	Increased by			Decreased by			Balance (Deficit) Dec. 31, 2007	
		Receipts		Transferred from Encumbrance	Disbursements	Transferred to Encumbrance			
		Trust Designation	Interest						
Reserve for:	\$	262.45						\$	262.45
911									
Audio Visual Commission		\$ 58,319.44		\$ 1,456.05	\$ 43,777.15	\$ 610.93		\$	99,392.16
Commodities Resale Program		229,187.20			261,172.46				38,649.37
County Auction	-	76,071.00			76,071.00			-	-
Custodian Interest	-		\$ 67,181.73		67,181.73			-	-
Document Preservation Fees	-	408,100.00			408,100.00			-	-
Engineering Escrow	8,925.00	12,750.00		957.50	9,092.25	1,365.00			12,175.25
Environmental Enforcement	370,602.99	63,149.92		3,637.17	45,414.66	10.00			391,965.42
Motor Vehicle Fines	785,824.48	469,754.54		293,019.76	363,066.38	344,614.44			840,917.96
Performance Bond - J Dare Development	13,090.00								13,090.00
Performance Bond - Woods Laurel Hills	-	3,375.00							3,375.00
Realty Transfer Fees	-	1,633,775.89			1,633,775.89				-
Road Opening Deposits	28,831.44	464.00							29,295.44
SCAPG - Nutrition Program	682.16	716.00		1,475.00	2,616.16	30.00			227.00
SCAPG - Parvin	10,997.13	4,896.73		543.83	6,023.37	(16.45)			10,430.77
Small Cities	13,078.28								13,078.28
Revolving Loan	357,278.95	1,333,465.47			1,333,465.47				357,278.95
Accumulated Absences Trust	1,438,423.97	100,000.00	45,272.20						1,583,696.17
B.F. Goodrich	14,685.94		461.79						15,147.73
County Clerk	280,143.70	92,343.20	9,519.76						314,286.90
Hospitalization	1,002,151.05	1,034,153.44	19,332.32	35,729.08	35,135.60	32,584.16			1,144,880.51
Housing Revitalization	48,227.70		1,516.47		946,485.38				49,744.17
Net Payroll Account	-	16,525,365.85	4,588.44		16,529,954.29				-
Open Space/Farmland Preservation	1,121,403.89	1,004,553.80	42,671.98		598,675.00	587,510.00			982,444.67
Parvin Bequest	18,624.65	5,038.66	655.53	1,442.00	5,936.72	1,217.38			18,606.74
Payroll Agency	204,877.15	14,243,479.22	7,466.09		14,247,400.94				208,421.52
Personal Attendant Service	22,780.44	796.26	699.53		2,460.00	2,525.00			19,291.23
Prosecutor's Office:									
Asset Maintenance Account	51,324.98	11,865.43	1,648.82	445.75	7,859.48	17,380.00			40,045.50
Auto Law Enforcement Trust Account	1,727.02	1,455.74	67.40						3,250.16
County Law Enforcement Trust Account	77,127.70	232,895.50	5,416.45	30,656.74	111,261.63	64,444.74			170,390.02
Federal County Law Enforcement Trust Account	77,261.56	9,662.77	2,962.56	59,237.40	62,523.60	3,878.29			82,722.40
Municipal Law Enforcement Trust Account	52,986.57	40,161.49	2,191.62	1,756.87	30,764.87				66,331.68
Seized Assets Trust Account	498,122.13	60,542.16	12,311.82	14,806.00	295,060.52	1,089.08			289,632.51

COUNTY OF SALEM
TRUST FUND
Statement of Reserve for Trust Funds
For the Year Ended December 31, 2007

	Balance (Deficit) Dec. 31, 2006	Increased by			Decreased by			Balance (Deficit) Dec. 31, 2007 (Continued)
		Trust Designation	Receipts	Interest	Transferred from Encumbrance	Disbursements	Transferred to Encumbrance	
Reserve for (Cont'd):								
Self Insurance	\$ 1,098,374.40	\$ 320,000.00	\$ 34,078.13			\$ 60,842.15		\$ 1,391,610.38
Sheriff's Trust	20,594.06	4,384.00	614.83			8,839.00		16,753.89
Surrogate Fees	11,765.71	5,080.00	450.89		\$ 584.32	603.03		17,277.89
Tax Appeals Filing Fees	13,018.72	4,185.00	474.39		944.27	9,831.54	693.74	8,097.10
Unemployment Claims	488,288.59	180,203.64	15,830.35			28,342.59		655,979.99
Weights & Measures	54,132.25	4,832.50	1,788.56			8,781.01		51,972.30
Worker's Compensation	711,119.63	405,291.32	17,556.16			429,875.72		704,091.39
Totals	\$ 9,051,374.07	\$ 38,580,315.17	\$ 294,757.82	\$ 446,691.74	\$ 37,670,389.59	\$ 1,057,936.31		\$ 9,644,812.90

COUNTY OF SALEM
TRUST FUND
Statement of Reserve for Future Use - Open Space/Farmland Preservation Fund
For the Year Ended December 31, 2007

Balance December 31, 2006		\$	1,121,403.89
Increased by:			
2007 Levy	\$	995,525.72	
2007 Added/Omitted Taxes		1,352.62	
2006 Added/Omitted Taxes		7,675.46	
Interest on Deposits		<u>42,671.98</u>	
			<u>1,047,225.78</u>
			2,168,629.67
Decreased by:			
Expended			<u>1,186,185.00</u>
Balance December 31, 2007		\$	<u><u>982,444.67</u></u>

COUNTY OF SALEM
TRUST FUND
Statement of Reserve for Encumbrances
For the Year Ended December 31, 2007

Balance December 31, 2006 \$ 446,691.74

Increased by:

Transferred from Reserve for:

Asset Maintenance Account	\$ 17,380.00	
County Clerk Trust	32,584.16	
County Law Enforcement Trust	64,444.74	
Custodian Trust	346,613.92	
Federal County Law Enforcement Trust Account	3,878.29	
Open Space/Farmland Preservation	587,510.00	
Personal Attendant Service	2,525.00	
Parvin Bequest	1,217.38	
Seized Assets Trust Account	1,089.08	
Tax Appeal Filing Fees Trust	693.74	
		1,057,936.31
		1,504,628.05

Decreased by:

Transferred from Reserve for:

Asset Maintenance Account	445.75	
County Law Enforcement Trust	30,656.74	
Custodian Trust	301,089.31	
Federal County Law Enforcement Trust Account	59,237.40	
Hospitalization Trust	35,729.08	
Municipal Law Enforcement Trust Account	1,756.87	
Parvin Bequest	1,442.00	
Seized Assets Trust Account	14,806.00	
Surrogate Fees	584.32	
Tax Appeal Filing Fees Trust	944.27	
		446,691.74

Balance December 31, 2007 \$ 1,057,936.31

SUPPLEMENTAL EXHIBITS

GENERAL CAPITAL FUND

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of General Capital Cash Per N.J.S. 40A:5-5 - Treasurer
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 12,942,956.65
Increased by:		
Interest Earned on Deposits	\$ 311,228.39	
Received from Current Fund	3,575.00	
Reimbursements	19,722.66	
2007 Budget Appropriations:		
Reserve for Various Projects	<u>2,750,268.09</u>	
		<u>3,084,794.14</u>
		16,027,750.79
Decreased by:		
Interest Paid to Current Fund	311,228.39	
Improvement Authorizations	<u>6,463,070.41</u>	
		<u>6,774,298.80</u>
Balance December 31, 2007		<u>\$ 9,253,451.99</u>

COUNTY OF SALEM
GENERAL CAPITAL FUND
Analysis of General Capital Cash
For the Year Ended December 31, 2007

	Balance, Dec. 31, 2006 \$	Receipts		Disbursements		Transfers		Balance Dec. 31, 2007 \$
		Budget Appropriation	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
Fund Balance	118,381.16							118,381.16
Reserve for Interest Earnings on Grant Funds	-	\$ 434,271.09				434,271.09		-
Reserve for Alterations, Improvements and Relocation of County Offices	-	205,000.00						-
Reserve for Old Court House Restoration Project	-	187,000.00				187,000.00		-
Reserve for Alterations, Improvements and Relocation of County Buildings and Offices	-	370,000.00				370,000.00		-
Reserve for Bathometric Study for Avis Mill Pond	-	37,000.00				37,000.00		-
Reserve for Construction and Installation of Improvements to Salem County Community College	-							-
Reserve for Reconstruction of Various County Roads	-	1,320,000.00				1,320,000.00		-
Reserve for Purchase of Information Technology Equipment	-	109,600.00				109,600.00		-
Reserve for Information Technology Department Equipment Purchase	-	16,380.00				16,380.00		-
Reserve for Repairs to Mosquito Extermination Equipment	-	71,017.00				71,017.00		-
Capital Improvement Fund	1,339,239.75					1,336,075.00		3,164.75
Due To Current Fund			\$ 314,803.39	\$ 311,228.39				3,575.00
Reserve for Contracts Payable	5,541,815.32					5,541,815.32	3,306,344.11	3,306,344.11
Loan Receivable						1,300,000.00		(1,300,000.00)
Improvement Authorizations:								
Ordinance Number								
90-1	13,418.05							13,418.05
96-1	314,595.78							314,595.78
97-1	5,458.50							5,458.50
98-1	2,772.45							2,772.45
99-1	880.50							880.50
99-2	278,019.77							278,019.77
04-02	138,112.37			1,032.00		250,000.00	1,032.00	91.11
04-02	139,610.94			138,021.26		170,275.42	170,275.42	69,195.67
04-04	150,000.00			4,113,224.31		1,739,324.99	4,525,635.55	150,000.00
04-05	48,481.50			110,154.25		416,307.88	477,980.63	-
05-01	10,069.19			10,069.19				-
05-01	11,981.61					11,961.61		-
05-01	1,429.05					1,429.05		-
05-02	226,794.98			109,153.00		78,000.00	8,200.00	47,841.98
05-03	42,481.05			25,580.57			1,300.00	18,200.46
06-01	1,800,000.00			850,836.98				949,163.02

(Continued)

COUNTY OF SALEM
GENERAL CAPITAL FUND
Analysis of General Capital Cash
For the Year Ended December 31, 2007

	Balance Dec. 31, 2006	Receipts		Disbursements		Transfers		Balance Dec. 31, 2007
		Budget Appropriation	Miscellaneous	Improvement Authorizations	Miscellaneous	From	To	
06-02 Reserve for Interest Earned for County Aid Improvement Program								
06-02 Fund Grant	\$ 65,010.03			\$ 193,869.75		\$ 91,458.17	\$ 127,859.72	
06-02 Reserve for Interest Earned for Local Bridge Fund Grant	91,458.17			69,632.97		13,868.00		\$ 16,399.03
06-05 Reserve for Alterations and Improvements to County Buildings	100,000.00			97,666.94		561,515.96	229,532.00	740,817.10
06-05 Reserve for Reconstruction of Various County Roads	1,170,468.00		\$ 19,722.66	86,947.98		949.00		6,825.68
06-06 Reserve for Information Technology Equipment	75,000.00			250,000.00			250,000.00	
07-02 Railroad Reconstruction and Rehabilitation	-			293,959.22		31,461.19	500,000.00	174,579.59
07-03 Disaster Recovery	-			100,000.00			12,000.00	
07-03 Railroad Reconstruction and Rehabilitation	-							
07-03 Purchase of Equipment for County Nursing Home	-							
07-04 Reserve for Interest Earned for County Aid Improvement	-			3,026.99			402,792.28	399,765.29
07-04 Program Reconstruction of Various County Roads	-					31,478.81	31,478.81	
07-04 Reserve for Interest Earned for Local Bridge Fund Grant	-					159,805.00	500,000.00	340,195.00
07-05 Dam Rehabilitation and Restoration	-			9,895.00			205,000.00	195,105.00
07-06 Alterations, Improvements and Relocation of County Offices	-							
07-06 Construction of Improvements to the Camp Karney Dam	-							
07-07 Structure and Spillway	-						1,300,000.00	1,300,000.00
07-08 Purchasing Vehicles and Equipment for the Mosquito	-							
07-08 Extermination Commission	-					14,625.00	120,500.00	105,875.00
07-09 Alterations, Improvements and Relocation of County	-							
07-09 Buildings and Offices	-					34,200.00	100,000.00	65,800.00
07-10 Old Court House Restoration Project	-						187,000.00	187,000.00
07-11 Alterations, Improvements and Relocation of County	-							
07-11 Buildings and Offices	-						370,000.00	370,000.00
07-11 Bathometric Study for Avis Mill Pond	-						37,000.00	37,000.00
07-12 Alterations, Improvements and Relocation of County	-							
07-12 Buildings and Offices	-						78,000.00	78,000.00
07-13 Construction of Various Improvements at Salem County	-							
07-13 Community College	-							
07-13 Costs Associated with Construction and Installation of	-						3,575.00	3,575.00
07-13 Improvements to Salem County Community College	-					15,007.03	1,320,000.00	1,304,992.97
07-15 Reconstruction of Various County Roads - Engineer	-						109,600.00	109,600.00
07-15 Information Technology Purchase of Equipment	-					12,577.00	16,380.00	3,803.00
07-15 Information Technology Departmental Equipment Purchase	-						71,017.00	71,017.00
07-15 Repairs to Mosquito Extermination Equipment	-							
	\$ 12,942,956.65	\$ 2,750,268.09	\$ 334,526.05	\$ 6,453,070.41	\$ 311,228.39	\$ 14,860,502.52	\$ 14,890,502.52	\$ 9,253,451.99

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Due to Current Fund
For the Year Ended December 31, 2007

Increased by:	
Interest Earned on Deposits	\$ 311,228.39
Received from Current Fund	<u>3,575.00</u>
	\$ 314,803.39
Decreased by:	
Disbursed to Current Fund	<u>311,228.39</u>
Balance December 31, 2007	<u><u>\$ 3,575.00</u></u>

Exhibit SC-4

GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Funded
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 21,134,000.00
Increased by:	
Improvement Costs Funded by:	
Issuance of 2007 Refunding Bonds	\$ 4,285,000.00
State of New Jersey Dam Restoration Loan Issued	<u>1,300,000.00</u>
	5,585,000.00
	26,719,000.00
Decreased by:	
2007 Budget Appropriations:	
Payment of Bonds Payable	1,620,000.00
Refunded Bonds	4,213,000.00
Adjustment- Refunded Bonds	<u>2,000.00</u>
	5,835,000.00
Balance December 31, 2007	<u><u>\$ 20,884,000.00</u></u>

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Reserves
For the Year Ended December 31, 2007

Increased by:

Current Fund Budget Appropriation:

Capital Improvements:

Interest Earned for County Aid Improvement Program Grant	\$ 402,792.28
Interest Earned for Local Bridge Fund Grant	31,478.81
Alterations, Improvements and Relocation of County Offices	205,000.00
Old Court House Restoration Project	187,000.00
Alterations, Improvements and Relocation of County Buildings and Offices	370,000.00
Bathmetric Study for Avis Mill Pond	37,000.00
Reconstruction of Various County Roads	1,320,000.00
Purchase of Information Technology Equipment	109,600.00
Information Technology Department Equipment Purchase	16,380.00
Repairs to Mosquito Extermination Equipment	<u>71,017.00</u>
	2,750,268.09

Decreased by:

Appropriated to Fund Improvement Authorizations

	<u>\$ 2,750,268.09</u>
--	------------------------

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Deferred Charges to Future Taxation - Unfunded
For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2006</u>	<u>2007 Authorizations</u>	<u>Balance Dec. 31, 2007</u>	<u>Unexpended Improvement Authorizations</u>
80-2	Improvement to Salem County Vocational School	\$ 46,555.04		\$ 46,555.04	\$ 46,555.04
89-5	Acquisition of Vehicles and Equipment for the Road Department	1,700.00		1,700.00	1,700.00
91-1	Acquisition of Farmland Development Easement and Credits, the Completion of Various Capital Improvements and Acquisitions of Various Equipment	235,000.00		235,000.00	235,000.00
97-1	Construction of Various Capital Improvement and Acquisition of Various Pieces of Equipment and Interests in Real Property	2,500.00		2,500.00	2,500.00
99-2	Construction of Various Capital Improvements and Acquisitions of Various Pieces of Equipment	4,150.00		4,150.00	4,150.00
04-4	Creation of a Revolving Loan Fund for Town Center Revitalization Projects	2,850,000.00		2,850,000.00	2,850,000.00
07-13	Construction of Various Improvements at Salem County Community College		\$ 3,600,000.00	3,600,000.00	3,600,000.00
07-13	Costs Associated with Construction and Installation of Improvements to Salem County Community College		71,425.00	71,425.00	71,425.00
		<u>\$ 3,139,905.04</u>	<u>\$ 3,671,425.00</u>	<u>\$ 6,811,330.04</u>	<u>\$ 6,811,330.04</u>

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Improvement of Authorizations
For the Year Ended December 31, 2007

Ordinance Number	Improvement Description	Date	Amount	Balance Dec. 31, 2006		2007 Authorizations	Prior Year Contracts Payable Reclassified	Paid or Charged	Canceled	Balance Dec. 31, 2007	
				Funded	Unfunded					Funded	Unfunded
80-2	Improvement to Salem County Vocational School	05-21-90	\$ 205,000.00		\$ 46,555.04					\$	46,555.04
89-5	Acquisition of Vehicles and Equipment for the Road Department	05-17-89	298,000.00		1,700.00						1,700.00
90-1	Construction of an Addition to the Salem County Community College	03-07-90	3,125,000.00	\$ 13,418.05						\$	13,418.05
91-1	Acquisition of Farmland Development Easement and Credits, and the Completion of Various Capital Improvements, and Acquisition of Various Equipment	08-07-91	2,750,000.00		235,000.00						235,000.00
96-1	Acquisition of Various Pieces of Equipment and Construction of Various Capital Improvements	07-17-96	2,500,000.00	314,595.78						314,595.78	
97-1	Construction of Various Capital Improvements and Acquisition of Various Pieces of Equipment and Interests in Real Property	07-16-97	4,450,000.00	5,458.50	2,500.00					5,458.50	2,500.00
98-1	Reconstruction of Various County Roads, Alterations and Improvements to County Buildings, ADA Compliance for Various Buildings	08-19-98	592,488.28	2,772.45						2,772.45	
99-1	Renovation of Salem County Emergency Operations Center	02-03-99	810,000.00	880.50						880.50	
99-2	Construction of Various Capital Improvements and Acquisition of Various Pieces of Equipment	12-01-99	5,180,000.00	278,019.77	4,150.00		\$ 1,032.00	\$ 1,032.00	\$ 250,000.00	28,019.77	4,150.00
04-02	Reserve for Interest Earned for County Aid Improvement Grant	06-16-04	284,265.42	138,112.37			170,275.42	138,021.26		91.11	
04-02	Reserve for Interest Earned for Local Bridge Fund Grant	06-16-04	237,306.97					170,275.42			
04-03	Acquisition of Easement and/or Development Rights to Various Parcels of Real Property	08-18-04	9,000,000.00	1,396,109.42			4,525,635.55	5,852,549.30		69,195.67	
04-04	Creation of a Revolving Loan Fund for Town Center Revitalization Projects	08-18-04	3,000,000.00	150,000.00	2,850,000.00					150,000.00	2,850,000.00
04-05	Reconstruction of Various County Roads	12-15-04	600,000.00	48,481.50			477,980.63	528,462.13			
04-05	Alterations and Improvements to Various County Roads	12-15-04	32,000.00	10,069.19				10,069.19			
05-01	Reserve for Interest Earned for Local Bridge Fund Grant	06-22-05	41,940.53	11,961.61				11,961.61			
05-01	Reserve for Interest Earned for Bridge Rehab. Fund Grant	06-22-05	1,429.05	1,429.05				1,429.05			
05-02	Demolition of Aims House	07-20-05	248,200.00	226,794.98			8,200.00	106,153.00	78,000.00	47,841.98	
05-03	Demolition of Aims House	11-02-05	1,800.00				1,300.00	25,580.57		18,200.48	
06-03	Reconstruction of Various County Roads	11-02-05	500,000.00	42,481.05							
06-01	Various Improvements at Salem County Community College	05-03-06	1,800,000.00	1,800,000.00				850,836.98		949,163.02	
06-02	Reserve for Interest Earned for County Aid Improvement Program Fund Grant	06-21-06	237,353.08	66,010.03			127,859.72	193,869.75			
06-02	Reserve for Interest Earned for Local Bridge Fund Grant	06-21-06	91,458.17	91,458.17				91,458.17			
06-05	Reserve for Alterations and Improvements to County Buildings	11-15-06	100,000.00	100,000.00				83,600.97		16,399.03	
06-05	Reserve for Reconstruction of Various County Roads	11-15-06	1,400,000.00	1,170,468.00			229,532.00	658,182.90		740,817.10	
06-06	Reserve for Information Technology Equipment	12-06-06	75,000.00	75,000.00				68,174.32		6,825.68	
07-02	Railroad Reconstruction and Rehabilitation	05-16-07	250,000.00			\$ 250,000.00		250,000.00			
07-03	Disaster Recovery	05-16-07	500,000.00			500,000.00		325,420.41		174,579.59	
07-03	Railroad Reconstruction and Rehabilitation	05-16-07	100,000.00	100,000.00		100,000.00		100,000.00			
07-03	Purchase of Equipment for County Nursing Home	05-16-07	12,000.00			12,000.00				12,000.00	
07-04	Reserve for Interest Earned for County Aid Improvement Program Reconstruction of Various County Roads	05-16-07	402,792.28			402,792.28		3,026.99		398,765.29	
07-04	Reserve for Interest Earned for Local Bridge Fund Grant	05-16-07	31,478.81	31,478.81		31,478.81		31,478.81			
07-05	Dam Rehabilitation and Restoration	07-18-07	500,000.00			500,000.00		159,805.00		340,195.00	

(Continued)

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Improvement of Authorizations
For the Year Ended December 31, 2007

Ordinance Number	Improvement Description	Date	Ordinance Amount	Balance Dec. 31, 2006		2007 Authorizations	Prior Year Contracts Payable Reclassified	Paid or Charged	Canceled	Balance Dec. 31, 2007	
				Funded	Unfunded					Funded	Unfunded
07-06	Alterations, Improvements and Relocation of County Offices	07-18-07	\$ 205,000.00			\$ 205,000.00		\$ 9,895.00		\$ 195,105.00	
07-07	Construction of Improvements to the Camp Karney Dam Structure and Spillway	07-18-07	1,300,000.00			1,300,000.00				1,300,000.00	
07-08	Purchasing Vehicles and Equipment for the Mosquito Extermination Commission	08-15-07	120,500.00			120,500.00		14,625.00		105,875.00	
07-09	Alterations, Improvements and Relocation of County Buildings and Offices	09-19-07	100,000.00			100,000.00		34,200.00		65,800.00	
07-10	Old Court House Restoration Project	09-19-07	187,000.00			187,000.00				187,000.00	
07-11	Alterations, Improvements and Relocation of County Buildings and Offices	09-19-07	370,000.00			370,000.00				370,000.00	
07-11	Bathmetric Study for Avis Mill Pond	09-19-07	37,000.00			37,000.00				37,000.00	
07-12	Alterations, Improvements and Relocation of County Buildings and Offices	09-19-07	78,000.00			78,000.00				78,000.00	
07-13	Construction of Various Improvements at Salem County Community College	11-07-07	3,600,000.00			3,600,000.00				\$ 3,600,000.00	
07-13	Costs Associated with Construction and Installation of Improvements to Salem County Community College	11-07-07	75,000.00			75,000.00				3,575.00	71,425.00
07-15	Reconstruction of Various County Roads - Engineer	12-05-07	1,320,000.00			1,320,000.00		15,007.03		1,304,992.97	
07-15	Information Technology Purchase of Equipment	12-05-07	109,600.00			109,600.00				109,600.00	
07-15	Information Technology Departmental Equipment Purchase	12-05-07	16,380.00			16,380.00		12,577.00		3,803.00	
07-15	Repairs to Mosquito Extermination Equipment	12-05-07	71,017.00			71,017.00				71,017.00	
				\$ 5,943,520.42	\$ 3,139,905.04	\$ 9,385,768.09	\$ 5,541,815.32	\$ 9,749,691.86	\$ 328,000.00	\$ 7,121,986.97	\$ 6,811,330.04
				Payment from Capital Improvement Fund		\$ 1,336,075.00					
				Payment from Reserve		2,750,268.09					
				Deferred Charges to Future Taxation-Unfunded		3,671,425.00					
				Deferred Charges to Future Taxation-Funded		1,300,000.00					
				Fund Balance		328,000.00					
				Cash Disbursements							
				Reimbursements							
				Contracts Payable							
						\$ 6,463,070.41					
						(19,722.66)					
						3,306,344.11					
						\$ 9,385,768.09					
						\$ 9,749,691.86					

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Serial Bonds
For the Year Ended December 31, 2007

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance Dec. 31, 2006	Issued	Refunded	Adjustment	Paid by Budget Appropriation	Balance Dec. 31, 2007
			Date	Amount							
County College Bonds, Series 1997	10-1-97	\$ 1,394,000.00	10-1-2008	\$ 105,000.00							
			10-1-2009	115,000.00							
			10-1-2010	120,000.00							
			10-1-2011	126,000.00	4.85%	\$ 694,000.00				\$ 100,000.00	\$ 594,000.00
			10-1-2012	128,000.00							
General Obligation Bonds	12-1-99	5,180,000.00	12-1-2008	230,000.00							
			12-1-2009	235,000.00	5.375%	3,740,000.00		\$ 3,048,000.00	\$ (2,000.00)	\$ 225,000.00	465,000.00
County College Bonds	12-1-99	1,200,000.00	12-1-2008	155,000.00							
			12-1-2009	160,000.00	4.9%	465,000.00				150,000.00	315,000.00
County Vocational Bonds	12-1-99	2,000,000.00	12-1-2008	85,000.00							
			12-1-2009	95,000.00	5.375%	1,440,000.00		1,165,000.00		85,000.00	190,000.00
General Obligation Refunding Bonds	4-15-04	5,565,000.00	4-1-2008	580,000.00	4.50%						
			4-1-2009	610,000.00	3.00%						
			4-1-2010	630,000.00	3.25%						
			4-1-2011	655,000.00	3.50%						
			4-1-2012	680,000.00	3.75%						
			4-1-2013	300,000.00	5.00%						
			4-1-2014	315,000.00	4.00%						
			4-1-2015	330,000.00	4.00%						
			4-1-2016	325,000.00	4.00%	4,595,000.00				550,000.00	4,425,000.00
General Obligation Bonds, Series 2005	10-1-05	8,300,000.00	10-15-2008	280,000.00	3.850%						
			10-15-2009	300,000.00	3.850%						
			10-15-2010	315,000.00	3.850%						
			10-15-2011	330,000.00	3.850%						
			10-15-2012	345,000.00	3.850%						
			10-15-2013	360,000.00	3.850%						
			10-15-2014	375,000.00	3.850%						
			10-15-2015	390,000.00	3.850%						
			10-15-2016	410,000.00	3.850%						
			10-15-2017	430,000.00	3.850%						
			10-15-2018	450,000.00	3.850%						
			10-15-2019	470,000.00	3.850%						
			10-15-2020	490,000.00	3.850%						
			10-15-2021	515,000.00	3.850%						
			10-15-2022	535,000.00	3.850%						
			10-15-2023	555,000.00	3.850%						
			10-15-2024	580,000.00	3.875%						
			10-15-2025	580,000.00	3.875%	8,010,000.00				290,000.00	7,720,000.00

(Continued)

For the Year Ended December 31, 2007

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COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Contracts Payable
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 5,541,815.32
Increased by:	
Charges to Improvement Authorizations	<u>3,306,344.11</u>
	8,848,159.43
Decreased by:	
Prior Year Balance Reappropriated to Improvement Authorizations	<u>5,541,815.32</u>
Balance December 31, 2007	<u><u>\$ 3,306,344.11</u></u>

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Capital Improvement Fund
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 1,339,239.75
Decreased by:	
Appropriated to Finance Improvement Authorizations	<u>1,336,075.00</u>
Balance December 31, 2007	<u><u>\$ 3,164.75</u></u>

COUNTY OF SALEM
GENERAL CAPITAL FUND
Statement of Bonds and Notes Authorized But Not Issued
For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Balance Dec. 31, 2006</u>	<u>2007 Authorizations</u>	<u>Balance Dec. 31, 2007</u>
80-2	Improvement to Salem County Vocational School	\$ 46,555.04		\$ 46,555.04
89-5	Acquisition of Vehicles and Equipment for the Road Department	1,700.00		1,700.00
91-1	Acquisition of Farmland Development Easement and Credits, the Completion of Various Capital Improvements and Acquisition of Various Equipment	235,000.00		235,000.00
97-1	Construction of Various Capital Improvements and Acquisition of Various Pieces of Equipment and Interests in Real Property	2,500.00		2,500.00
99-2	Construction of Various Capital Improvements and Acquisitions of Various Pieces of Equipment	4,150.00		4,150.00
04-4	Creation of a Revolving Loan Fund for Town Center Revitalization Projects	2,850,000.00		2,850,000.00
07-13	Construction of Various Improvements at Salem County Community College		\$ 3,600,000.00	3,600,000.00
07-13	Costs Associated with Construction and Installation of Improvements to Salem County Community College		71,425.00	71,425.00
		<u>\$ 3,139,905.04</u>	<u>\$ 3,671,425.00</u>	<u>\$ 6,811,330.04</u>

TOWNSHIP OF CARNEYS POINT

GENERAL CAPITAL FUND

State of New Jersey Dam Restoration Loan

For the Year Ended December 31, 2007

<u>Ordinance Number</u>	<u>Improvement Description</u>	<u>Date of Issue</u>	<u>Amount of Original Loan</u>	<u>Maturities of Loan Outstanding</u>		<u>Interest Rate</u>	<u>Increased by Loan Issued</u>	<u>Balance Dec. 31, 2007</u>
				<u>Year</u>	<u>Amount</u>			
07-07	Construction of Improvements to the Camp Karney Dam Structure and Spillway, together with the acquisition of all materials and equipment and completion of all work necessary therefor and related thereto	07-18-07	\$ 130,000.00	2008	\$ 31,204.79	2.0%		
				2009	63,348.83			
				2010	64,622.15			
				2011	65,921.05			
				2012	67,246.06			
				2013-2017	357,056.66			
				2018-2022	394,412.67			
				2023-2025	256,187.79			
							\$ 1,300,000.00	\$ 1,300,000.00
							<u>\$ 1,300,000.00</u>	<u>\$ 1,300,000.00</u>

SUPPLEMENTAL EXHIBITS
OTHER OFFICIALS AND INSTITUTIONS

COUNTY OF SALEM
COUNTY CLERK
 Statements of Assets, Liabilities and Reserves--Regulatory Basis
 As of December 31, 2007 and 2006

<u>ASSETS</u>	Balance Dec. 31, 2007	Balance Dec. 31, 2006
Cash	\$ 163,414.95	\$ 263,328.27
Accounts Receivable:		
Active		104.75
	<u>\$ 163,414.95</u>	<u>\$ 263,433.02</u>
 <u>LIABILITIES AND RESERVES</u>		
Prepaid Attorneys' Deposits:		
Active	\$ 30,383.93	\$ 43,547.98
Reserve for Trust Fund	4,174.75	5,681.00
Due State of New Jersey	48,675.70	89,116.20
Due County	80,180.57	125,087.84
	<u>\$ 163,414.95</u>	<u>\$ 263,433.02</u>

COUNTY OF SALEM
COUNTY CLERK
Statement of Cash
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 263,328.27
Increased by Receipts:		
County Recording Fees	\$ 381,971.00	
Realty Transfer Tax Fees	1,993,810.29	
Passport Fees	6,733.00	
State Trade Names	2,263.50	
Trust	37,926.55	
Copies	21,659.90	
Search	550.00	
Notary	355.00	
Photos	2,070.00	
Attorney Deposits	192,775.34	
Preservation Fund	395,135.00	
Tax Relief	299,005.50	
Interest Earned	8,712.90	
Miscellaneous	158.50	
		<u>3,343,126.48</u>
		3,606,454.75
Decreased by Disbursements:		
Interest Paid to County Finance Officer	9,183.46	
Turned over to Treasurer:		
Current Fund Anticipated Revenue	664,072.97	
Trust Fund	64,055.70	
Miscellaneous	10,117.03	
State Realty Tax Fees	1,367,648.64	
Preservation Fund	408,100.00	
Public Health Priority Fund	130,048.00	
Extraordinary Aid Fund	266,172.25	
Attorney Charges	204,774.64	
Passport Fees	6,733.00	
State Trade Names	2,208.50	
County Tax Relief	308,275.50	
Miscellaneous	1,650.11	
		<u>3,443,039.80</u>
Balance December 31, 2007		<u>\$ 163,414.95</u>

COUNTY OF SALEM
SURROGATE'S OFFICE
 Statements of Assets, Liabilities and Reserves--Regulatory Basis
 As of December 31, 2007 and 2006

	Balance Dec. 31, 2007	Balance Dec. 31, 2006
<u>ASSETS</u>		
Cash - Surrogate	\$ 8,855.59	\$ 8,792.34
Investments - Probate Division:		
Savings and Loan Association	2,524,560.89	2,771,455.27
Certificates of Deposit	<u>778,101.33</u>	<u>962,847.70</u>
	<u>\$ 3,311,517.81</u>	<u>\$ 2,884,539.33</u>
 <u>LIABILITIES AND RESERVES</u>		
Salem County Court Probate Division	\$ 3,302,662.22	\$ 3,734,302.97
Attorneys' Deposits	6,938.05	4,809.81
Due County Treasurer	<u>1,917.54</u>	<u>3,982.53</u>
	<u>\$ 3,311,517.81</u>	<u>\$ 2,884,539.33</u>

COUNTY OF SALEM
SURROGATE'S OFFICE
 Statement of Cash - Surrogate
 For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 8,792.34
Increased by Receipts:		
Wills	\$ 39,006.00	
Letters of Administration	12,917.50	
Guardianship	916.00	
Shorts	2,364.00	
Adoption	5,050.00	
Superior Court Fees	18,813.00	
Attorney Deposits	10,373.99	
Other	149.34	
Interest Earnings	267.25	
	<u>89,857.08</u>	
		98,649.42
Decreased by Disbursements:		
Interest Paid to County Financial Officer	503.39	
Turned Over to Treasurer:		
Current Fund Anticipated Revenue	83,671.03	
Trust Fund	5,080.00	
Surrogate Disbursements	83.41	
Other	456.00	
	<u>89,793.83</u>	
Balance December 31, 2007		<u>\$ 8,855.59</u>
<u>Analysis of Balance</u>		
Attorneys' Deposits		\$ 6,938.05
Due County Treasurer - Fees		1,896.00
Due County Treasurer - Interest Earnings		<u>21.54</u>
		<u>\$ 8,855.59</u>

COUNTY OF SALEM
SURROGATE'S OFFICE
Statement of Investment - Savings and Loan Association
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 2,771,455.27
Increased by Receipts:		
Purchase of Savings Certificates	\$ 212,943.65	
Interest Earned on Deposits	<u>141,596.72</u>	
		<u>354,540.37</u>
		3,125,995.64
Decreased by:		
Redemption of Savings Certificates	<u>\$ 601,434.75</u>	
		<u>601,434.75</u>
Balance December 31, 2007		<u><u>\$ 2,524,560.89</u></u>

Exhibit SF-3

SURROGATE'S OFFICE
Statement of Investment - Certificate of Deposit
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 962,847.70
Increased By:		
Purchase of Certificates of Deposits	\$ -	
Interest Earned on Deposits	<u>32,873.84</u>	
		<u>32,873.84</u>
		995,721.54
Decreased By:		
Redemption of Certificates of Deposits	\$ 188,285.55	
Interest Transferred to Minor's Account	<u>29,334.66</u>	
		<u>217,620.21</u>
Balance December 31, 2007		<u><u>\$ 778,101.33</u></u>

COUNTY OF SALEM
SHERIFF'S OFFICE
Statements of Assets, Liabilities and Reserves--Regulatory Basis
As of December 31, 2007 and 2006

<u>ASSETS</u>	Balance Dec. 31, 2007	Balance Dec. 31, 2006
Cash - Sheriff	\$ 42,489.43	\$ 55,966.77
Cash - Court	146.21	140.14
	<u>\$ 42,635.64</u>	<u>\$ 56,106.91</u>
 <u>LIABILITIES AND RESERVES</u>		
Fees and Executions	\$ 42,353.08	\$ 55,412.38
Due County	153.90	565.87
Jury Fees Advanced by County	128.66	128.66
	<u>\$ 42,635.64</u>	<u>\$ 56,106.91</u>

COUNTY OF SALEM
SHERIFF'S OFFICE
Statement of Cash
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 56,106.91
Increased by Receipts:		
Sales and Executions	\$ 1,380,291.85	
County Fees	129,139.16	
Sheriffs Trust	4,384.00	
Interest Earned	6,223.39	
	<u> </u>	<u>1,520,038.40</u>
		1,576,145.31
Decreased by Disbursements:		
Interest Paid to County Finance Officer	6,635.36	
Turned over to Treasurer:		
Current Fund Anticipated Revenue	129,139.16	
Trust Fund	4,384.00	
Refunds	1,097,555.68	
Advertising	41,052.40	
Deed	4,950.00	
Garnishments	204,388.28	
Superior Court Fees	45,404.79	
	<u> </u>	<u>1,533,509.67</u>
Balance December 31, 2007		<u>\$ 42,635.64</u>

Exhibit SG-2

SHERIFF'S OFFICE
Statement of Sheriff's Fees Due County
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 565.87
Increased by Receipts:		
Fees Collected	\$ 129,139.16	
Trust Fund	4,384.00	
Interest Earned	6,223.39	
	<u> </u>	<u>139,746.55</u>
		140,312.42
Decreased by Disbursements:		
Interest Paid to County Finance Officer	6,635.36	
Turned over to Treasurer:		
Current Fund Anticipated Revenue	129,139.16	
Trust Fund	4,384.00	
	<u> </u>	<u>140,158.52</u>
Balance December 31, 2007		<u>\$ 153.90</u>

COUNTY OF SALEM
JAIL PRISONERS' WELFARE FUND
 Statements of Cash
 For the Year Ended December 31, 2007

	Receipts			Disbursements			Balance
	Balance Dec. 31, 2006	Interest	Other	County Treasurer	Other		Dec. 31, 2007
Warden:							
Inmate Account	\$ 27,964.80	\$ 1,250.20	\$ 602,287.44		\$ 600,370.13	\$	\$ 31,132.31
Welfare Account	41,923.58	1,434.25	227,021.61		236,064.24		34,315.20
Bail Account	2,698.18	404.47	517,207.74		516,117.98		4,192.41
Miscellaneous	377.75		191,242.54	\$ 190,737.94	251.25		631.10
	<u>72,964.31</u>	<u>3,088.92</u>	<u>1,537,759.33</u>	<u>190,737.94</u>	<u>1,352,803.60</u>		<u>70,271.02</u>
Work Release	<u>107.79</u>	<u>3.40</u>					<u>111.19</u>
	<u>\$ 73,072.10</u>	<u>\$ 3,092.32</u>	<u>\$ 1,537,759.33</u>	<u>\$ 190,737.94</u>	<u>\$ 1,352,803.60</u>		<u>\$ 70,382.21</u>
Total Receipts and Disbursements		<u>\$ 1,540,851.65</u>			<u>\$ 1,543,541.54</u>		
<u>Analysis of Revenue Turned Over to Treasurer</u>							
Miscellaneous Account:							
Anticipated Revenue:							
Inmate Health Reimbursement		\$ 2,505.76					
Interest Earned on Deposits		1,442.05					
Non-Budgeted Revenue:							
Jail Miscellaneous Revenue		89,737.44					
Jail Telephone Commissions		97,052.69					
		<u></u>					
				<u>\$ 190,737.94</u>			

COUNTY OF SALEM
COUNTY ADJUSTER
Statements of Assets, Liabilities and Reserves--Regulatory Basis
As of December 31, 2007 and 2006

	Balance Dec. 31, 2007	Balance Dec. 31, 2006
<u>ASSETS</u>		
Accounts Receivable	\$ 23,938.94	\$ 23,938.94
<u>LIABILITIES AND RESERVES</u>		
Due County	\$ 23,938.94	\$ 23,938.94

COUNTY OF SALEM
COUNTY ADJUSTER
Statement of Accounts Receivable
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 23,938.94
Increased by:	
Maintenance Charges	<u>24,624.47</u>
	48,563.41
Decreased by:	
Receipts	<u>24,624.47</u>
Balance December 31, 2007	<u><u>\$ 23,938.94</u></u>

Exhibit SI-2

COUNTY ADJUSTER
Statement of Due to County
For the Year Ended December 31, 2007

Balance December 31, 2006	\$ 23,938.94
Increased by Receipts:	
Receipts	<u>24,624.47</u>
	48,563.41
Decreased by Disbursements:	
Turned over to Treasurer - Current Fund Anticipated Revenue	<u>24,624.47</u>
Balance December 31, 2007	<u><u>\$ 23,938.94</u></u>

COUNTY OF SALEM
MOSQUITO EXTERMINATION COMMISSION
Statement of Cash
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 85,356.29
Increased by Receipts:		
County of Salem	\$ 554,755.00	
Lower Alloways Creek Township	48,000.00	
Interlocal Agreement	3,000.00	
Miscellaneous	7,069.85	
Interest Earned	<u>7,225.26</u>	
		<u>620,050.11</u>
		705,406.40
Decreased by:		
Advertisement	3,544.33	
Education	2,571.06	
Equipment Maintenance	21,913.12	
Erosion Control	8,055.20	
Lab & Survey	7,394.40	
Machine Hire	2,000.00	
Office Expenses	19,028.47	
Wages	331,959.56	
Payroll Taxes	52,063.51	
Pesticides	27,443.93	
Projects	2,325.73	
Building & Grounds Maintenance	11,872.33	
Miscellaneous	1,676.16	
Safety	10,238.03	
Shared Services	56,389.84	
Shop	18,799.20	
Transportation and Maintenance	10,052.01	
Utilities	21,375.40	
Operation of Vehicles	<u>19,311.63</u>	
		<u>628,013.91</u>
Balance December 31, 2007		<u><u>\$ 77,392.49</u></u>

COUNTY OF SALEM
LIBRARY COMMISSION
Statement of Cash
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 74,017.24
Increased by Receipts:		
County Appropriations	\$ 185,950.00	
United Way Contributions	7,903.86	
Other Contributions	2,900.00	
Donations	1,102.00	
Miscellaneous	599.27	
Interest Earned	368.33	
	<u>198,823.46</u>	<u>198,823.46</u>
		272,840.70
Decreased by:		
Gross Wages	65,460.58	
Employer Payroll Taxes	24,100.01	
Supplies	3,395.26	
Books and Publications	27,618.23	
Port Fees	16,200.00	
Postage	89.80	
Vehicle Expense and Maintenance	4,584.85	
Rent	5,376.35	
Miscellaneous	1,992.68	
	<u>148,817.76</u>	<u>148,817.76</u>
Balance December 31, 2007		<u>\$ 124,022.94</u>

COUNTY OF SALEM
CULTURAL AND HERITAGE COMMISSION
Statement of Cash
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 18,331.81
Increased by Receipts:		
Interest Earned		<u>89.12</u>
		18,420.93
Decreased by Disbursements:		
Transfers to Current Fund	\$ 7,752.40	
Miscellaneous Expenses	<u>10,668.53</u>	
		<u>18,420.93</u>
Balance December 31, 2007		<u><u>\$ -</u></u>

COUNTY OF SALEM
CULTURAL AND HERITAGE COMMISSION
Statement of Due County
For the Year Ended December 31, 2007

Balance December 31, 2006 - Due To	\$ 971.18
Decreased by:	
Disbursed to Current Fund	<u>971.18</u>
Balance December 31, 2007	<u><u>\$ -</u></u>

COUNTY OF SALEM
NURSING HOME
Statements of Assets, Liabilities and Reserves--Regulatory Basis
As of December 31, 2007

	Balance Dec. 31, 2007	Balance Dec. 31, 2006
<u>ASSETS</u>		
Cash	<u>\$ 399,691.59</u>	<u>\$ 400,150.02</u>
 <u>LIABILITIES AND RESERVES</u>		
Reserve for Patients Needs Account	\$ 37,920.37	\$ 76,070.47
Due County Treasurer's Office	<u>361,771.22</u>	<u>324,079.55</u>
	<u>\$ 399,691.59</u>	<u>\$ 400,150.02</u>

COUNTY OF SALEM
NURSING HOME
Statement of Cash
For the Year Ended December 31, 2007

Balance December 31, 2006		\$ 400,150.02
Increased by Receipts:		
Medicaid	\$ 3,888,364.05	
Medicare	1,164,047.59	
Private Billings	1,750,909.09	
Insurance	120,104.70	
Miscellaneous	3,930.88	
Medicaid Report Reimbursement	54,055.00	
Receipts Due to Patients Personal Needs Account	324.00	
Reserve for Patients Needs Account	665,824.70	
Interest Earned	29,603.59	
		<u>7,677,163.60</u>
		8,077,313.62
Decreased by:		
Turned over to Treasurer:		
Salem County Home	5,315,838.59	
Salem County Home - Additional	1,153,638.67	
Salem County Home - Medicaid Reimbursement - Peer Grouping	444,054.40	
Miscellaneous	18,729.25	
Miscellaneous	8,171.89	
Overpayments refunded to Patients	24,250.09	
Transfer to Patients Personal Needs Account	5,039.07	
Reserve for Patients Needs Account	707,900.07	
		<u>7,677,622.03</u>
Balance December 31, 2007		<u>\$ 399,691.59</u>

COUNTY OF SALEM

PART 2

SINGLE AUDIT

FOR THE YEAR ENDED DECEMBER 31, 2007

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR A-133 AND STATE OF NEW JERSEY CIRCULAR 04-04-OMB**

The Honorable Director and
Members of the County Board of Chosen Freeholders
County of Salem
Salem, New Jersey 08079

Compliance

We have audited the compliance of the County of Salem, State of New Jersey, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that are applicable to each of its major federal and state programs for the calendar year ended December 31, 2007. The County's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and state programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133, and State of New Jersey Circular 04-04-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the County of Salem's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion, the County of Salem complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal and state programs for the year ended December 31, 2007. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that is required to be reported in accordance with OMB Circular A-133 and New Jersey Circular 04-04-OMB, which is described in the accompanying Schedule of Findings and Questioned Costs as finding no. : 2007-4.

Internal Control Over Compliance

The management of the County of Salem is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the Salem's internal control over compliance with requirements that could have a direct and material effect on a major federal or state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Salem's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the County of Salem's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the County of Salem's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The County of a Salem's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management of the County, the Division of Local Government Services, Department of Community Affairs, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



David C. Rollison
Certified Public Accountant
Registered Municipal Accountant

Woodbury, New Jersey
August 21, 2008

COUNTY OF SALEM
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2007

Federal Grantor/Pass-through Grantor/Program Title	Federal C.F.D.A.	County Grant No./ Pass Through Number	Matching Contributions	Program or Award Amount	Grant Period From To	Balance Jan. 1, 2007	Receipts or Revenue Recognized	Adjustments +/-	Disbursed/ Expended	Reserve for Encumbrances	Balance Dec. 31, 2007	(Memo Only)	
												Cash Received	Accumulated Expenditures
U.S. DEPARTMENT OF AGRICULTURE													
USDA Rural Business Enterprises	10.769	35-017-216001-147		147,000.00	01/01/03 12/31/03	\$ 5,609.08		(1) \$ 24,177.92	\$ 24,177.92	\$ 24,177.92	\$ 5,609.08	\$	\$ 141,390.92
Grant-Railroad Improvements	10.769	35-017-216001-147		98,000.00	01/01/03 12/31/03	99,000.00					99,000.00		
USDA Rural Business Grant						104,609.08			24,177.92		104,609.08		141,390.92
U.S. DEPARTMENT OF HEALTH AND SENIOR SERVICES													
Salem County Area Plan Grant	93.045	4275-100-045-4110-049-J004-6110		Various	Various	166,878.85	\$ 890,895.00	(1) 153,947.25	\$ 902,677.92	117,159.24	196,883.94	\$ 859,014.00	6,265,326.44
Cancer Education & Early Detection	48.939	Not Available	15,000.00	101,000.00	10/01/02 06/30/05	284,769.84					284,769.84		426,554.16
Public Health Preparedness & Response for Bioterrorism-Pandemic Flu	93.283	100-046-4104-360-J002-6120		36,901.00	Various							36,901.00	
Public Health Preparedness & Response for Bioterrorism	93.283	100-046-4104-360-J002-6120		Various	Various	1,048,175.30	595,220.00	(1) 47,449.58	540,887.96	45,353.37	1,104,803.55	581,876.45	2,580,412.45
						1,499,823.99	1,486,115.00	206,396.83	1,443,365.88	162,512.61	1,586,457.33	1,457,791.45	9,282,292.05
U.S. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS													
Veterans' Transportation Prog.	21.600	3610-100-067-3610-058-PVET-6130		13,000.00	Various	7,688.00	13,000.00	1,080.00	13,000.00		8,768.00	13,009.00	17,232.00
U.S. DEPARTMENT OF JUSTICE													
State Homeland Security Grant Program	97.067	Various		Various	Various	286,645.29	354,112.40	(1) 133,240.79	305,461.70	287,324.36	181,212.42	341,559.68	2,440,402.49
State Homeland Security Grant Program-Code Orange Funds	97.07	Various		27,325.00	09/30/07 05/30/08		27,325.00				775.00		26,550.00
Multi Jurisdictional Task Force	16.005	DE 2-18-05	87,340.00	174,860.00	01/01/05 12/31/05	137,721.77		(1) 87,340.00	87,340.00	26,590.00	137,721.77	87,340.00	36,958.23
Multi Jurisdictional Task Force	16.005	DE 2-18-06	87,340.00	174,680.00	01/01/05 12/31/06	34,177.22		(1) 87,340.00	30,309.63	87,340.00	3,867.59	87,340.00	170,812.41
						458,544.28	381,437.40	307,920.79	335,771.33	468,554.36	323,576.78	428,899.68	2,674,723.13
Victims of Crime	16.575	V-17-01		136,146.00	10/01/00 09/30/01	63,905.02					63,905.02		75,240.98
Victims of Crime	16.575	V-23-01	76,732.00	383,658.00	10/01/01 09/30/02	128,621.95					128,621.95		331,788.05
Victims of Crime	16.575	V-17-03		207,833.00	10/01/02 09/30/03	78,030.59					78,030.59		129,802.41
Victims of Crime	16.575	V-17-03		130,479.00	10/01/05 09/30/08	127,745.20		(2) (15,175.00)			112,570.20	38,307.00	17,908.80
						398,302.76		(15,175.00)			383,127.76	38,307.00	554,720.24
Victims of Crime Act - Victim Assistance Grant Program	16.575	V-05-05	43,493.00	173,972.00	Various	177,787.33			85,636.70		92,150.63	157,319.00	126,314.37
U.S. DEPARTMENT OF LABOR													
Passed through State Department of Labor Job Training Partnership Act	17.250	06-92-00-ET-06-P494		Prior Year	Prior Year	276,956.60					276,956.60		569,573.93
Passed through County of Cumberland: Welfare To Work	17.253	AA-11266-01-50		153,588.00	07/01/03 06/30/04	101,845.19					101,845.19		51,742.81
Workforce Investment Board TANF	Not Availab	Not Available		22,150.00	07/01/05 06/30/06	13,427.00					13,427.00		8,723.00
Workforce Investment Board Youth	17.259	AA-11266-01-50		Various	Various	131,825.43	139,103.00	(1) 86,232.05	198,211.30		158,954.18	156,972.56	1,162,551.82
Workforce Investment Board Adult	17.258	AA-11266-01-50		Various	Various	243,074.05	138,577.00	(1) 31,662.71	225,927.07		187,386.69	191,263.11	1,102,501.04
Workforce Investment Board Dislocated Worker	17.250	AA-11266-01-50		Various	Various	177,450.94	137,982.00	(1) 22,243.17	187,726.87		149,949.24	152,356.42	1,171,000.76
						667,622.61	415,667.00	140,137.93	611,865.24		611,552.30	500,592.09	3,496,519.43

(Continued)

COUNTY OF SALEM
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2007

Federal Grantor/Pass-through Grantor/Program Title	Federal C.F.D.A.	County Grant No./Pass Through Number	Matching Contributions	Program or Award Amount	Grant Period From To	Balance Jan. 1, 2007	Receipts or Revenue Recognized	Adjustments +/-	Disbursed/ Expended	Reserve for Encumbrances	Balance Dec. 31, 2007	Cash Received	(Memo Only) Accumulated Expenditures
U.S. DEPARTMENT OF TRANSPORTATION													
Passed through South Jersey Transportation Planning Organization:													
Salem-Hancock's Bridge Road	20.205	94-TP-SJT-C052			Project Completion	\$ 58,157.90					\$ 58,157.90		\$ 30,896.25
Salem-Hancock's Bridge Road	20.205	S0404			Project Completion	181,390.00					161,390.00		-
NJDCA - Guardrail	20.205	STP-A00S (594)			Project Completion	162,757.40					162,757.40		365,940.60
Subregional Transportation Planning Program	20.205	Not available			Project Completion	23,650.00					23,650.00		70,350.00
Resurfacing of Auburn Road - Pilesgrove Township	20.205	Not available			Project Completion	-		(1)	40,447.70	32,939.84	-	788,492.14	797,000.00
Repairing of the Oldmans Creek Trestle	20.205	Not available			Project Completion	20,950.00		(1)	24,064.10	24,064.10	20,950.00		188,295.00
Pennsville Auburn Road Resurfacing, County	20.205	STP-S00S (193)	20,950.00		Project Completion	456,800.00			339,599.91	29,543.46	87,656.63		369,143.37
Road #55	20.205	STP-S00S (192)			Project Completion	509,000.00			333,858.06	27,731.47	147,400.47		361,599.53
Pecks Corner-Cohansey Rd. Resurfacing, County	20.205	STP-A00S (933)			Project Completion	86,360.44		(1)	12,421.43	12,421.43	86,360.44		346,089.56
Road #540	20.205	STP-0150(103)CON			Project Completion	-	\$ 542,150.00				542,150.00		-
#620, Phase IV-B	20.205	STP-0156(103)CON			Project Completion	-	\$ 780,000.00				780,000.00		-
Mannington Township	20.205	STP-3001(106)CON			Project Completion	-	\$ 136,918.00				136,918.00		-
SJTPO-Salem County	20.205					1,479,065.74	1,459,068.00		76,933.23	730,471.91	77,204.22	2,207,390.84	2,549,114.31
Roadway Striping Prog.	20.205					106,751.76					106,751.76		113,248.24
SJTPO-Pennsville-Auburn Rd.	20.205					-	400,000.00				400,000.00		-
County Road #551, Phase II	20.205					106,751.76	400,000.00				506,751.76		113,248.24
SJTPO-Salem County Safety Projects in Pennsville & Upper Pittsgrove Twp.	20.205					2,821.54			2,078.51		743.03	2,500.00	9,256.97
N.J. DEPARTMENT OF ENVIRONMENTAL PROTECTION													
Stormwater Regulation	66.463	W004-480			03/01/04 2/28/07								
N.J. DEPARTMENT OF LAW AND PUBLIC SAFETY													
Sobriety Checkpoint and Saturation Patrol Project Grant	20.600	AL06-07-07-11			10/01/05 10/31/05	3,326.06			400.00		2,926.06		69,373.94
FEMA-Emergency Management Grant	97.042	Not available			01/01/06 12/31/06	6,126.89					6,126.89		(1,126.89)
						9,452.95			400.00		9,052.95		68,247.05
Total Federal Financial Assistance						\$ 5,189,426.64	\$ 4,165,287.40		\$ 741,471.70	\$ 3,222,589.57	\$ 752,449.11	\$ 6,111,147.06	\$ 19,601,632.64

Adjustments are for:

(1) Prior Year Encumbrances

(2) Canceled By Resolution

The accompanying Notes to Financial Statements are an integral part of this schedule.

COUNTY OF SALEM
Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2007

	County SCHEDULE	Matching LEADERSHIP	Program or Award NUMBER	Grant Period FROM TO	Balance FUND BALANCE	Receipts or Revenues REVENUE	Adjustments +	Delivered/ EXPENSE	Reserve for LIABILITIES	Balance BUDGETARY	Cash RESERVE	(Memo Only) Accumulated EXPENDITURES
SAN JOSE JUNIOR HIGH SCHOOL	STATE HEALTH NO.											
DEPARTMENT OF AGRICULTURE	3380-100-010-3380-016	None									\$	\$
Farmstead Preservation Program											\$	\$
DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT	2800-570-020-2800-01-EEEE-6110											
Oakman Township Economic Development Project												
DEPARTMENT OF COMMUNITY AFFAIRS	8048-100-022-8048-066-FFFF-6110											
Smart Future Program	Not Available											
Buried in New Jersey												
Recreational Opportunities for Individuals with Disabilities	8050-100-022-8050-035-8157-6130											
Cross Acceptance												
TASE - Tobacco Age Sale Enforcement Program	4240-100-046-4243-130-J002-6110											
US Comm Emergency Response Team	1200-100-088-1200-850-YEMR-6110											
County Disaster Liaison	Not Available											
Special Legislative Grants												
Handicapped Accessible Playground	01-100-022-8030-680-FFFF-6120											
DEPARTMENT OF ENVIRONMENTAL PROTECTION	98-100-042-4855-075											
County Environmental Health Act	4801-100-002-4801-VB76-6110											
Watershed Project												
DEPARTMENT OF HEALTH	100-054-7550-121											
TANF Smart Steps	100-054-7550-121											
TANF Work Verification	Work First New Jersey - TANF Work Activities											
Work First New Jersey												
TANF - Case Management	New Jersey Smart Steps											
Case Management	100-054-7550-121											
Work First New Jersey-CARES Work Activities	100-054-7550-121											
Work First New Jersey-GIFS Case Management	100-054-7550-121											
WorkNet NJ												
ABAWD & Food Stamps	100-054-7550-121											
Right to Know	4230-100-046-442-105-J002-6110											
Tobacco Control, Prevention, Treatment Education	4240-100-046-4213-168-J002-6110											
Health and Senior Services - Cancer Detection (COLA)	4220-100-048-4333-329-J002-6140											
Healthy Heart Cholesterol Screening Contract	02-002-CCCL-L-2											
County Mental Health Board Planning	Not Available											
Alcoholics Treatment Program	4240-100-046-4252-024-J002-6110											
Alcoholics Treatment Program	4240-100-046-4252-024-J002-6110											
Alcoholics Treatment Program	4240-100-046-4252-024-J002-6110											
Alcoholics Treatment Program	4240-100-046-4252-024-J002-6110											
Alcoholics Treatment Program	4240-100-046-4252-024-J002-6110											
Alcoholics Treatment Program	4240-100-046-4252-024-J002-6110											
Alcoholics Treatment Program	4240-100-046-4252-024-J002-6110											
Early Intervention Program	4240-100-046-4252-024-J002-6110											
Early Intervention Program	4240-100-046-4252-024-J002-6110											
EIP Additional	4240-100-046-4252-024-J002-6110											
Early Intervention Program and Case Management	4230-100-046-4753-434-J002-6120											
Comprehensive Cancer Control Plan												
DEPARTMENT OF HUMAN SERVICES	4230-100-046-4784-182											
LINGS IT	4230-100-046-4784-182											
County Mental Health Planning, Development and Administration	Not Available											
County Mental Health Board - Mental Health												
Disaster and Crisis Counsel	7700-100-054-8121-115-L111-3850											
Family Court	7570-100-054-7570-361-L111-6130											
PASP Supplemental Funding Grant	7570-100-054-7570-361-L111-6130											
PASP - Personal Assistance Services												

COUNTY OF SALEM
Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2007

STATE AGENCY/DEPARTMENT/PROGRAM LINE	DATE AWARD NO.	COUNTY AGENCY NO.	Matching CONTRIBUTION	Program or Award AGENCY	Grant Period FROM TO	Balance AWD. L.A. 6007	Receipts or Revenue RECORDED	Adjustments +/-	Disbursed/ EXPENSES	Reserve for ENCUMBRANCES	Balance AWD. L.A. 6007	Cash received	(Memo Only) Accumulated expenditures
DEPARTMENT OF LABOR													
Partnership Training Program - Combined													
Lab Qualification and Basic Skills Training													
Family Development Program													
FY2002 One Stop Literacy Lab	4545-140-100760				07/01/00 06/30/01	\$ 100,543.85					\$ 100,543.85		\$ 110,995.35
Workforce Development Partnership Program	Not Available				07/01/00 06/30/02	2,712.85			4,559.77		12,874.25		45,320.94
Workforce Development Staff and Fringe Benefits	Not Available				07/01/02 06/30/03	2,019.48			3,898.65		26,900.75		26,900.75
									6,053.00		1,192.95	\$ 2,268.92	\$ 4,026.42
									8,053.00		115,037.52	2,268.92	226,295.48
DEPARTMENT OF LAW AND PUBLIC SAFETY													
Victim and Witness Advocacy													
Prosecutor Insurance Fraud Reimbursement	1020-100-065-1020-063-YOPR-6110	FY01			07/01/00 06/30/01	652.00					652.00		7,748.00
State Roadways Project Grant	Not Available				Various	134,830.94	\$ 146,380.00		111,553.39	5,555.81	156,060.64	134,392.20	671,895.38
Safety Roadways Project Grant	1160-100-065-1160-036-YHTS-6010				1001/06 09/30/07	69,825.51			63,450.89	1,600.00	4,874.82	85,000.68	65,125.18
School Bus Driver Training Program	1020-100-065-1020-304-YOPR-6010				05/01/00 09/30/00	26,040.00					19,120.00		6,920.00
School Bus Driver Training Program	1020-100-065-1020-304-YOPR-6010				Various	01/01/03 12/31/03	8,501.88				8,501.88		102,876.01
Youth Services Commission	1500-100-065-1500-121-YBAC-6010				07/01/04 06/30/05	921.92					921.92		176,151.08
JAIBG Funda - Youth Services Commission	1500-100-065-1500-121-YBAC-6010				Various	5,863.49			201,312.84	2,885.00	1,143.65		587,437.15
Local Law Enforcement Block Grant Program	1020-100-065-1020-361-YOPR-6010				Various	13,115.49			10,542.00		13,115.49		21,924.00
Justice Assistance Grant (JAG)	1020-100-065-1020-361-YOPR-6010				11/05 12/31/05	10,737.46			9,255.61		1,483.85		32,573.75
Reserve for Emergency Services Grant	1200-100-065-1200-850-YENR-6110				01/01/07 12/31/07	174,680.00			71,888.97		102,791.03		17,688.97
Body Armor Replacement - Sheriff	JAG-1-3071F-05				Various	2,755.53			6,349.20	12,402.00	1,616.19		25,633.84
Body Armor Replacement - Prosecutor	1020-718-065-1020-001				01/01/07 12/31/07	50.71			54.44		36.27		1,816.19
COPS in Shops	100-065-1400-014-0168-5108				05/01/06 09/30/06	6,000.00			655.44		5,343.56		3,953.36
Project Unleashed	20070001				08/01/07 08/01/08	82,150.00			17,654.22	232.88	64,282.60		655.44
Division of Highway Traffic Safety	1160-100-065-1160-036-YHTS-6010				10,000.00	10,000.00			18,627.31		1,122.68		17,887.20
Diversity Training Initiative	1160-100-065-1160-113-YHTS-6010				Various	18,874.76					18,874.76		8,877.31
Division of Highway Traffic Safety	1200-100-065-1200-634-YENR-6010				05/01/01 09/30/03	10.00					10.00		51,025.24
State Homeland Security Grant Program -													284,890.00
Explosive Detecting Canine Initiative	Not Available												
Terrorism Exercise Grant	Not Available												
Prosecutor Underage Drinking FY04 EUOL	100-065-1400-014	ABC-27-04			07/01/03 04/30/05	116.28					116.28		57,025.72
Division of Highway Traffic Safety-Salem Comprehensive Child	100-065-1400-014				01/01/02 12/31/02	1,669.24					1,669.24		3,330.26
Passenger Safety Program	1160-100-065-1160-113-YHTS-6120	OP-05-45-01-33			05/01/04 06/30/06	6,234.50			8,234.50				7,000.00
County Jail Statewide Photo Capture System	2004-RU-BX-4058				Various	10,000.00					37,144.00		400.00
Attorney Identification Program	22,038.51				01/01/05 12/31/05				26,408.00				26,408.00
NJ Sex Offender Internal Registry	11,000.00				Project Completion				11,000.00				11,000.00
Title V Delinquency Prevention	4,740.00				10/01/06 09/30/07				4,740.00				4,740.00
Title V Delinquency Prevention	85,750.00				07/01/06 08/30/07	47,875.00			47,875.00				85,750.00
	85,000.00				07/01/05 08/30/06								95,000.00
						371,135.52	697,587.31	40,710.44	607,718.51	24,273.08	447,451.38	545,283.78	2,467,686.43
DEPARTMENT OF STATE													
Local Arts Program	2500-100-074-2500-023-5003-6120				01/01/02 12/31/02	1,012.00					1,012.00		57,091.00
Local Arts Initiative	2500-100-074-2500-023-5003-6120				Various	54,525.00			55,944.75		69,776.11		400,854.89
Old Court House Project	2500-100-074-2500-053-010330				Project Completion	22,000.00			21,100.00		13,000.00		38,380.00
New Jersey History Grant	B-05-SP-NJ-0182				Project Completion	8,750.00			188,250.00		188,250.00		188,250.00
Historical Commission Grant	2540-100-074-2540-105-5003-6110				01/01/03 12/31/03	5,121.20					5,121.20		8,130.00
Public Archives & Records Infrastructure Support (PARIS) Grant	08 HIST 186 AGO				07/01/07 06/30/08	18,000.00					18,000.00		34,876.80
	2545-100-074-2545-033-5003-6110	05170201			Various	654,826.66	891,070.00	554,475.38	735,705.38	246,181.77	1,128,484.91	708,375.00	1,862,656.08
						749,830.74	965,595.00	789,820.38	812,750.13	434,431.77	1,246,144.22	853,737.00	2,530,750.78
DEPARTMENT OF TREASURY													
Governor's Council on Alcoholism and Drug Abuse													
Alcoholism and Drug Abuse	2000-100-062-0001-044-0988-6010				Various	17,754.42	137,783.00	71,182.87	138,108.62	78,740.48	9,820.99	145,272.62	285,745.01
DEPARTMENT OF TRANSPORTATION													
Reconstruction of the Allway - Shirley Road	Not Available				Project Completion	198,614.40					198,614.40		446,000.00
Reconstruction of the Allway - Shirley Road	Not Available				Prior Year	250,000.00					250,000.00		1,260.00
Salem County Airport Feasibility Study	Not Available				Project Completion	37,970.00					37,970.00		805,895.74
Pass Through State to NJ Transit	N.J. Transit Corp				Various	210,553.33	593,810.00	141,176.54	445,035.66	124,405.75	372,169.26	471,876.30	53,475.68
Senior Citizen and Disabled Transportation Program	N.J. Transit Corp				7/1/05 6/30/07	200,414.00					200,414.00		600,000.00
Kelly's Saw Mill Bridge Scoping Project	Not Available				Project Completion	46,539.02					46,539.02		953,301.44
Vehicle Homestead/Severance Injury Unit	Not Available				Project Completion	161,284.32					161,284.32		1,478,000.00
State Highway Projects	1160-100-065-1160-036-YHTS-6010				Project Completion	1,478,000.00	1,818,000.00				1,218,000.00	1,818,000.00	1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	738,000.00					738,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,000.00					1,478,000.00		1,478,000.00
2004 County Aid Improvement Program	6320-460-078-6320-TCAP-6010				Project Completion	1,478,							

COUNTY OF SALEM
Schedule of Expenditures of State Financial Assistance
For the Year Ended December 31, 2007

STATE FUNDING AGENCY/PROGRAM LINE	COUNTY IDENT. NO.	Matching Identification	Program or Activity Amount	Grant Period From To	Balance 12/31/06	Receipts or Disbursements	Adjustments	Disbursed/ Encumbrance	Reserve for Encumbrances	Balance 12/31/06	(Memo Only)	
											Cash received	Accumulated expenditures
DEPARTMENT OF TRANSPORTATION (CONT'D)												
Local Bridge Rehabilitation Program			Various	Project Completion	\$ 5,692.09		(1) \$ 72,903.08		\$ 76,595.17	\$ -	\$ 3,000,000.00	
1850 Statewide Transportation and Local Budget Fund			3,000,000.00	Project Completion	33,859.95		(1) 33,099.95		53,095.22		3,000,000.00	
Bridge Rehabilitation & Improvement Fund				Project Completion	56,397.42					56,397.42		
Kings Highway Bridge #479			Prior Year	Project Completion								
Reconstruction of Peninsula - Auburn Road				Project Completion	10,834.57					10,834.57		
Phase I				Project Completion	40,460.48					40,460.48		
Phase II				Project Completion	131,967.70					131,967.70		
Resurfacing of Elm Street and South Main Street			297,000.00	Project Completion	100,850.00					100,850.00		165,332.30
Salem County Road Reassignment & Reconstruction			750,000.00	Project Completion	81,105.00			9,008.04				649,350.00
Resurfacing of South Broad Street - Ferns Grove Road			448,552.00	Project Completion	142,955.00			5,747.58	28,498.00			405,533.50
Resurfacing of Fort Mott Rd. - Peninsula Twp			577,348.00	Project Completion	56,823.80			8,015.48	7,759.46		200,774.04	
SJTPO - Reconstruction of Kelly's Saw Mill Bridge			998,036.00	Project Completion	1,701,875.00			1,616,309.48	81,666.72	1,698.80		882,112.20
Railroad Improvement Project, Phase 2			3,000,000.00	Project Completion	275,815.00			182,074.45	85,930.17	258,915.00		3,000,085.00
Railroad Improvement Project				Project Completion	10,741,255.09			3,406,247.05	6,548,674.81	3,556,186.83	\$ 2,460,560.34	\$ 26,619,864.80
OFFICE OF EMERGENCY TELECOMMUNICATIONS SERVICES												
Enhanced 911	06-100-002-2034-50		242,500.00	01/01/04 12/31/06	218,204.47		(1) 24,295.53	242,500.00		6,450.47	242,500.00	
Office of Emergency Telecommunications Services (OETS)	05-G-17-059		80,000.00	07/01/08 09/30/07		60,000.00		53,546.53			60,000.00	
Enhanced 911 General Assistance and Equipment Grant	2034-100-092-68E7-00A8-6120		80,000.00	01/01/07 12/31/07		80,000.00				80,000.00		
OTHER STATE PROGRAMS												
Partnership for the Delaware Estuary, Inc			Prior Year	Prior Year	2,100.00							
SARTISANE			Various	01/01/03 12/31/03	86,820.30						79,176.70	
CHLP Grant for Seminar			7,500.00	01/01/07 12/31/07		7,500.00				96,820.30	4,473.44	
NJ Build			380.00	07/01/06 09/30/07		380.00				3,026.56		
MICA Training			1,475.00	05/24/07 09/30/07		1,475.00		4,473.44				
State Farmers Market Nutrition Program			1,000.00	05/01/07 11/30/07		1,000.00		1,475.00			1,475.00	
REMP	07-148-M/C-L-Q		Various	Various	110,080.00			1,000.00			1,000.00	
					161,010.84			28,534.41		244,275.13		
					262,330.94							
											24,573.38	195,947.89
	</											

The accompanying Notes to Financial Statements are an integral part of this schedule.

COUNTY OF SALEM
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended December 31, 2007

Note 1: **GENERAL**

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal awards and state financial assistance programs of the County of Salem, State of New Jersey. The County is defined in the Notes to the Financial Statements, Note 1.

Note 2: **BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the modified accrual basis of accounting as promulgated by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, which is described in the Notes to the Financial Statements, Note 1.

Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS**

Amounts reported in the accompanying schedules agree with amounts reported in the County's financial statements. Expenditures from awards are reported in the County's financial statements as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
Current Fund	<u>\$3,218,391.98</u>	<u>\$20,567,510.47</u>	<u>\$23,785,902.45</u>

Note 4: **MAJOR PROGRAMS**

Major programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs

COUNTY OF SALEM

PART 3

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2007

COUNTY OF SALEM
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2007

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Qualified

Internal control over financial reporting:

Material weaknesses identified? X yes no

Were significant deficiencies identified that were not considered to be a material weakness? X yes none reported

Noncompliance material to financial statements noted? X yes no

Federal Awards

Internal control over compliance:

Material weaknesses identified? yes X no

Were significant deficiencies identified that were not considered to be material weaknesses? yes X none reported

Type of auditor's report on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510(a))? X yes no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
<u>93.045</u>	<u>Area Planning Grant</u>
<u>93.283</u>	<u>Public Health Preparedness Grant</u>
<u>17.259</u>	<u>Workforce Investment Act - Youth</u>
<u>17.258</u>	<u>Workforce Investment Act - Adult</u>
<u>17.260</u>	<u>Workforce Investment Act - Dislocated Worker</u>
<u>97.067</u>	<u>Homeland Security Grant Program</u>
<u>20.205</u>	<u>NJDOT - Pennsville-Auburn Road Resurfacing</u>
<u>20.205</u>	<u>NJDOT - Pecks Corner-Cohansey Road Resurfacing</u>
<u> </u>	<u> </u>

Dollar threshold used to determine Type A programs \$ 300,000

Auditee qualified as low-risk auditee? yes X no

COUNTY OF SALEM
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2007

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over compliance:

Material weaknesses identified?

_____ yes X no

Were significant deficiencies identified that were not
considered to be material weaknesses?

_____ yes X none reported

Type of auditor's report on compliance for major programs

Unqualified

Any audit findings disclosed that are required to be reported in
accordance with OMB Circular A-133 (section .510(a)) or
New Jersey Circular 04-04-OMB?

_____ yes X no

Identification of major programs:

GMIS Numbers

Name of State Program

N.J. Transit Corp.

Senior Citizens and Disabled Residents Transportation

Assistance Act

6320-480-078-6320-TCAP-6010

County Aid Improvement Programs

Not Available

Salem County Railroad Improvements Phase 2

N/A

Farmland Preservation Program

Dollar threshold used to determine Type A programs

\$ 617,025.31

Auditee qualified as low-risk auditee?

_____ yes X no

COUNTY OF SALEM
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2007

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Finding No. 2007-1

Condition

A fixed asset accounting and reporting system was not maintained in accordance with N.J.A.C.5:30-5.6, A material amount of assets selected for testing were not available for inspection. Such assets were previously disposed of but were not removed from the fixed asset register. The register also contains assets with no assigned values.

Criteria

N.J.A.C.5:30-5.6 must be adhered to in order to properly maintain "The General Fixed Asset Group of Accounts". Proper internal controls should be developed to ensure that the fixed asset record is complete and accurate.

Effect

Overstatement of assets would not be in compliance with the Technical Accounting Directive.

Cause

Lack of internal accounting control over the inspection and reporting of Fixed Assets.

Recommendation

That the fixed asset accounting and reporting system be reviewed for compliance with N.J.A.C.5:30-5.6 and that proper internal controls be developed to ensure accuracy of the system.

View of Responsible Officials and Planned Corrective Action

We concur with the finding and will adopt a corrective action plan as required by the Division of Local Government Services.

COUNTY OF SALEM
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2007

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Finding No. 2007-2

Condition

Our examination of contracts awarded revealed the following: Purchases were made for uniforms in excess of the awarded contract amount. In addition, such contract expired in October 2007 while purchases were still continuing for such uniforms. Also, a purchase was made under state contract; however, such contract was not approved by resolution. Finally, expenditures were made in 2007 regarding a professional services contract in the amount of \$21,973; however, the contract awarded for such services was awarded for \$12,000 and in addition such contract expired in June of 2006.

Criteria

Contracts should be awarded in accordance with N.J.S.A. 40A:11 and N.J.A.C. 5:34.

Effect

Violation of N.J.S.A. 40A:11 and N.J.A.C. 5:34.

Cause

Unknown.

Recommendation

That more care be exercised to ensure that contracts in excess of the bidding threshold are properly bid, that the approval of state contracts be recorded within the minutes record as required by the Division of Purchase and Property, and that the county adopt controls to prevent the rendering of services subsequent to the expiration of a contract.

View of Responsible Officials and Planned Corrective Action

We concur with the finding and will adopt a corrective action plan as required by the Division of Local Government Services.

COUNTY OF SALEM
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2007

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with Government Auditing Standards and with audit requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

Finding No. 2007-3

Condition

There is a lack of oversight regarding internal accounting controls relative to the receipt and disbursement function. The deficiencies are as follows:

- Two outstanding checks greater than one year old exist as of December 31, 2007.
- Numerous expenses relative to the patients need account were disbursed from the operating account.
- Revenue being turned over to the Treasurer's Office was incorrectly reported as to the detail of Interest on Investments and Peer Grouping. The overall amount reported was correct.
- Two resident accounts of the patients needs accounts are overdrawn which in the aggregate total \$1,905.85.
- The revenue account at December 31, 2007 contains excess revenue totaling approximately \$216,133.41. These funds should be turned over to the County Treasurer's office in an expeditious manner.

Criteria

Internal accounting controls should be reviewed to ensure an adequate environment exists as to the receipt and disbursement function.

Effect

Inconsistent recording of receipts and disbursements causing untimely recognition of revenue and incorrect recording of expenditures.

Cause

Personnel turnover along with lack of oversight.

Recommendation

That the Nursing Home receipt and disbursement function be reviewed expeditiously as possible regarding internal accounting controls combined with management oversight.

View of Responsible Officials and Planned Corrective Action

We concur with the finding and will adopt a corrective action plan as required by the Division of Local Government Services.

COUNTY OF SALEM
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2007

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

Finding No. 2007-4

Program:

Area Planning Grant (C.F.D.A. No. 93.045)

Condition

Encumbrances were not liquidated within 30 days after year end.

Criteria

In accordance with the Area Planning Grant guidelines, accrued expenditures must be liquidated within 30 days after the close of the contract period.

Questioned Costs

\$118,890.00

Context

A total of \$118,890 of encumbrances at December 31, were paid after the allowed 30-day period.

Effect

The grantor may disallow expenditures which are paid subsequent to the thirty day requirement period.

Cause

Unknown.

Recommendation

That all encumbrances be liquidated within 30 days upon the close of the contract period.

View of Responsible Officials and Planned Corrective Action

We concur with the finding and will adopt a corrective action plan as required by the Division of Local Government Services.

COUNTY OF SALEM
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2007

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

No Findings.

COUNTY OF SALEM
Summary Schedule of Prior Year Audit Findings
And Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

FINANCIAL STATEMENT FINDINGS

Finding No. 2006-1

Condition

A fixed asset accounting and reporting system was not maintained in accordance with N.J.A.C.5:30-5.6, A material amount of assets selected for testing were not available for inspection. Such assets were previously disposed of but were not removed from the fixed asset register. The register also contains assets with no assigned values.

Current Status

This condition still exists as current year finding no. 2007-1.

Planned Corrective Action

The County is currently reviewing their procedures regarding the reporting of Fixed Assets.

Finding No. 2006-2

Condition

There is a lack of oversight regarding internal accounting controls relative to the receipt and disbursement function. The deficiencies are as follows:

- Thirty-two outstanding checks greater than one year old exist as of December 31, 2006.
- Numerous expenses relative to the patients need account were disbursed from the operating account of which five lacked supporting documentation.
- Forty one resident accounts of the patients needs accounts are overdrawn which in the aggregate total's \$3,871.13.
- In numerous instances the cash receipts records lacked the description of the actual receipt.
- The revenue account at December 31, 2006 contains excess revenue totaling approximately \$214,229.53 which includes interest income. These funds should be turned over to the County Treasurer's office as soon as possible.

Current Status

This condition still exists as current year finding no. 2007-3.

Planned Corrective Action

The Nursing Home is currently reviewing their internal accounting controls.

COUNTY OF SALEM
Summary Schedule of Prior Year Audit Findings
And Questioned Costs as Prepared by Management (Cont'd)

FEDERAL AWARDS**Finding No. 2006-3****Program**

Area Planning Grant (C.F.D.A. No. 93.045)

Condition

Encumbrances are not being liquidated within 30 days after year end.

Current Status

This condition still exists as current year finding no. 2007-4.

Planned Corrective Action

The County is currently reviewing their procedures as to the liquidation of outstanding encumbrances.

Finding No. 2006-4**Program:**

Multi Jurisdictional Narcotics Task Force Grant Program (C.F.D.A. No. 16.005)

Condition

The final expenditure report filed with the grantor agency did not agree to the County Treasurer's records.

Current Status

This finding has been resolved

Finding No. 2006-5**Program:**

Local Arts Program (GMIS No. 100-074-2530-032-S003-6130)

Condition

The final expenditure report filed with the grantor agency did not agree to the County Treasurer's records.

Current Status

This condition still exists; however, the County is currently working with the Grantor Agency to correct the 2006 final report. The County is also working with the Grantor Agency to correct various issues that arose in 2007.

COUNTY OF SALEM
Summary Schedule of Prior Year Audit Findings
And Questioned Costs as Prepared by Management (Cont'd)

FEDERAL AWARDS

Finding No. 2006-6

Program:

Local Arts Staffing Initiative (GMIS No. 100-074-2530-032-S003-6130)

Condition

The final expenditure report filed with the grantor agency did not agree to the County Treasurer's records.

Current Status

This condition still exists; however, the County is currently working with the Grantor Agency to correct the 2006 final report. The County is also working with the Grantor Agency to correct various issues that arose in 2007.

STATE FINANCIAL ASSISTANCE PROGRAMS

No prior year findings

COUNTY OF SALEM
Officials in Office and Surety Bonds

The following officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>	<u>Amount of Surety Bond</u>	
Lee R. Ware	Director of the Board of Chosen Freeholders	\$4,000,000	(A)
Bruce Bobbitt	Deputy Director of the Board of Chosen Freeholders	\$4,000,000	(A)
Charles Sullivan	Freeholder	\$4,000,000	(A)
David Lindenmuth	Freeholder	\$4,000,000	(A)
Beth Timberman	Freeholder	\$4,000,000	(A)
Jeffrey Hogan	Freeholder	\$4,000,000	(A)
Susan A. Bestwick	Freeholder (1/1/07-2/28/07)	\$4,000,000	(A)
Julie Acton	Freeholder (from 3/1/07)	\$4,000,000	(A)
Earl Gage	Clerk of the Board/Administrator	\$200,000	(B)
Joanne H. Bell	Chief Financial Officer/Treasurer	\$580,000	(D)
Marianna Bacon	Assistant County Treasurer	\$200,000	(B)
Gilda T. Gill	County Clerk	\$50,000	(D)
Herbert Stiles	Deputy County Clerk	\$200,000	(B)
Nicki A. Burke	Surrogate	\$50,000	(C)
Charles Miller	Sheriff	\$50,000	(C)
Theodore Vengenock	Undersheriff	\$20,000	(C)
James Hefner	Undersheriff / Warden (through April, 2007)	\$200,000	(B)
Raymond Skradzinski	Undersheriff / Deputy Warden (through April, 2007)	\$200,000	(B)
	Undersheriff / Warden (from April, 2007)	\$200,000	(B)
Anthony Wright	Undersheriff / Deputy Warden (from 6/11/07)	\$200,000	(B)
Kenneth Miller	County Adjuster	\$200,000	(B)
Patricia Franceschini	Assistant County Adjuster	\$200,000	(B)
John T. Lenahan	Prosecutor	\$200,000	(B)
Lee H. Bacon	Court Officer	\$150,000	(C)
Dave Puma	Labor & Litigation Counsel		
Parker, McCay & Criscuolo	Bond Counsel		
E. Elaine Voyles	County Counsel		
Federici & Akin	Engineer		

- (A) Covered by Public Employees' Faithful Performance Blanket Position Bond in the Amount of \$4,000,000 with Admiral Insurance Company.
- (B) Travelers Casualty and Surety Company.
- (C) Selective Insurance Company of America – State Employee – payment of bond is the responsibility of the State of New Jersey.
- (D) Ohio Casualty Insurance Company

APPRECIATION

I express my appreciation for the assistance and courtesies rendered by the County officials during the course of the audit.

Respectfully submitted,

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

A handwritten signature in black ink, appearing to read 'D C Rollison', written over a horizontal line.

David C. Rollison
Certified Public Accountant
Registered Municipal Accountant